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HEARINGS

BEFORE

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U.S. Cong. House

SUBCOMMITTEE OF HOUSE COMMITTEE ON APPROPRIATIONS,

CONSISTING OF

MESSRS. BINGHAM, GILLET, TAWNEY,
LIVINGSTON, AND BURLESON,

IN CHARGE OF

THE LEGISLATIVE, EXECUTIVE, AND JUDICIAL
APPROPRIATION BILL FOR 1910.



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LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Hearings conducted by the subcommittee, Messrs. H. H. Bingham, Frederick H. Gillett, James A. Tawney, L. F. Livingston, and Albert S. Burleson, of the Committee on Appropriations, House of Representatives, in charge of the legislative, executive, and judicial appropriation bill for 1910, on the days named.

TUESDAY, DECEMBER 1, 1908.

LIBRARY OF CONGRESS.

STATEMENT OF MR. HERBERT PUTNAM, LIBRARIAN OF CONGRESS.

Mr. BINGHAM. What is the sum total of all the appropriations received during the present fiscal year for your Library of Congress?

Mr. PUTNAM. \$719,365.74. That is the amount of the current law. It includes the library and the library building and grounds—all purposes for the library except printing and binding, which is in another bill. It includes \$100 000 for the new book stack. Roughly speaking, the appropriations for the library and the library building and grounds are about \$600,000 a year, of which nearly \$100,000 is reimbursed to the Government by fees of the Copyright Office and of the card section, covered into the Treasury.

Mr. BINGHAM. Those are the two sections of the library from which fees are received, and the only two? The others are a positive expenditure?

Mr. PUTNAM. Yes, sir.

Mr. TAWNEY. There is a discrepancy here, Mr. Putnam, of something like \$7,000 between your statement of the amount appropriated under the current law and our statement. We have \$726,755, including the \$100,000 for the stack, shelving, etc.

Mr. PUTNAM. I took mine from the report. That is because in the statement before you the files for the House of Representatives were included. There was \$6,000 appropriated for equipping some space in the new Office Building for receipt of the House files that were deposited with us. Of course that has nothing to do with the library proper.

Mr. BINGHAM. Now, the sum total of force, according to the exhibit above, is 438 subordinate force?

Mr. PUTNAM. Yes, sir. That includes the library building and grounds. It includes all charwomen, and the like.

Mr. BINGHAM. What changes have occurred in that force during the past year, say, under the current law?

Mr. PUTNAM. We have had in my force the addition of one position in the copyright office at a salary of \$2,500.

Mr. LIVINGSTON. What makes the change between 430 and 478 in the estimates here?

Mr. PUTNAM. For the next year 30 positions in my force, and the balance, presumably, in the superintendent's.

Mr. BINGHAM. Now, eliminating the two divisions of cards and copyright, what is your force now in the library?

Mr. PUTNAM. My force consists of about 200 persons.

Mr. BINGHAM. What are their special lines of work?

ORGANIZATION OF THE LIBRARY.

Mr. PUTNAM. In the first place, of course, there is the office of general administration, my own and the chief clerk's. There is the division that sees to the ordering of material, the purchasing and the receiving, and the accessioning of it. There is a division that sees to the classification and the cataloguing of the books and pamphlets, and there are the various special divisions that handle material, special in form, putting it through all the processes after its initial receipt. These are the divisions of manuscripts, maps, music, prints, periodical, documents, and law, including the law library at the Capitol; and finally, sir, there is the reading-room force, the general reading-room force, which takes care of the central reading room, the book stacks, and the special reading rooms.

Mr. BINGHAM. All that is for the continuous calling for books by visitors?

Mr. PUTNAM. Yes, sir; and books for outside use.

Mr. BINGHAM. What are the rules as to outside use?

Mr. PUTNAM. All Senators and Representatives and their families have the privilege of taking out books for family use; also all the members of the Supreme Court and the various courts and the higher officials in the executive departments. But, in addition, any scientist in a government bureau making a request for a book through the librarian of that bureau or department may get books. In addition, beyond that any investigator in the United States anywhere who needs, for a purpose calculated to advance the boundaries of knowledge and not merely for general reading or recreation, a book that we have and which it is not the duty of his local library to supply can have it borrowed from us by his local library for his use there.

Mr. BINGHAM. And that as a rule is an honest call? The records show the return duly?

Mr. PUTNAM. Yes. We judge each application on its merits; and its merits, or credentials, you may say, may consist in the fact that the man is a professor in a university pursuing scientific research, or the book itself is one that is of interest only to a man who is pursuing scientific research.

ACCESSIONS TO THE LIBRARY.

Mr. BINGHAM. Now, about what is your annual receipt of books—the number, all publications, excluding newspapers?

Mr. PUTNAM. Last year it exceeded 100,000 books and pamphlets, and about 60,000 other articles, manuscripts, maps, music, and prints.

Mr. BINGHAM. One hundred and sixty thousand a year, and those are all what you call home publications, in the sense of United States publications?

Mr. PUTNAM. No, sir. They include our purchases as well, which are chiefly from abroad.

Mr. BINGHAM. You must have a vast surplusage, then. Do you keep all these contributions of publications and manuscripts, etc.?

Mr. PUTNAM. I assume you are referring to what comes to us from copyright?

Mr. BINGHAM. Yes.

Mr. PUTNAM. Only a portion of what comes to us from copyright are drawn into the library proper. There are a million and a half of articles coming from copyright which we are now seeking to dispose of.

Mr. BINGHAM. What do you mean by disposing of it?

TRANSFER OF SURPLUS MATERIAL.

Mr. PUTNAM. We ought to have authority specifically by law, authority to transfer them to other government libraries; for instance, to the library of the Surgeon-General's office, medical books which are appropriate to their collection, but not to ours. We ought to have authority to utilize this material to strengthen other special government collections, which must be maintained in spite of the fact that we are making the great general collection. A bill granting that authority should, in our opinion, be enacted, and as to copyright deposits, such authority is granted in the new copyright bill, which is now pending.

Mr. GILLETT. You mean as to special books?

Mr. PUTNAM. Yes.

Mr. GILLETT. Even if you do not have duplicates?

Mr. PUTNAM. Yes. And then there would be the matter of exchange outside of government libraries.

Mr. BURLESON. That would be mutually advantageous, both to your library and the other libraries as well?

Mr. PUTNAM. Yes, all through the country, to strengthen weak collections. For instance, many small college libraries, particularly throughout the West and South, could be strengthened in that way.

Mr. TAWNEY. What do you mean by exchange? Do they have books that you could utilize here?

Mr. PUTNAM. They can help us to the books that they can get hold of through local influence.

Mr. TAWNEY. Would not that result directly in disbursing for their benefit?

Mr. PUTNAM. Yes. There would be regions from which, if this system were carried out in a large way, we should not get as much as we should give. In the large cities, however, we should; for instance, with the New York Public Library.

Mr. GILLETT. Why would they have books that you would not have?

Mr. PUTNAM. Because there are a great many local publications that are never copyrighted, for one thing, and therefore they do not come to us through copyright.

Mr. TAWNEY. What is the nature of these publications?

Mr. PUTNAM. Sometimes they are local histories, perhaps, or genealogy; very largely books of that character. Often a book is not copyrighted because they do not want to give us the two copies and they know it will not be pirated.

Mr. TAWNEY. Would there be any considerable number of publications outside the public official reports?

Mr. PUTNAM. It would be more the locally published material published by private hands. Then sometimes very valuable early newspapers have come to us through the feeling of obligation toward us on the part of the local libraries. Of course, we have not undertaken this distribution in a large way, and we have not been in the way to. We do exchange with other large libraries on a strictly piece-for-piece exchange or value-for-value exchange. The next stage that the bill would provide would be that we, upon notice to the copyright proprietors, would permit them to withdraw any of the residuum of the material, or, failing this, that we should be at liberty to destroy it.

DESTRUCTION OF USELESS MATERIAL.

Now, there is a great deal of the material that we ought to destroy—clippings from newspapers, syndicated articles—which have obtained protection and need protection for only a few weeks, but at present rest over there and litter up our cellars.

Mr. BURLESON. Would it cost more to destroy them than to store them?

Mr. PUTNAM. No.

Mr. BURLESON. I would want to be sure of that before we undertook that enterprise.

Mr. PUTNAM. Yes; and then we ought to be sure that nothing that would be indispensable in any way to the copyright records should be destroyed.

Mr. BINGHAM. What amount of copyrighted articles in the form of books do you destroy?

Mr. PUTNAM. We have never destroyed anything as yet.

Mr. BINGHAM. You are simply a depository?

Mr. PUTNAM. Yes, sir.

Mr. BINGHAM. What about newspaper publications—daily, weekly, and monthly?

Mr. PUTNAM. Only a small percentage of the newspapers of this country are copyrighted—a few score; that is all.

Mr. BINGHAM. Those that are copyrighted you hold?

Mr. PUTNAM. Yes; and some others. We bind in all not over 150 different newspapers, although nearly 1,200 come to us.

Mr. BINGHAM. Then you only exercise destruction to the newspapers, not to copyright books?

Mr. PUTNAM. We have thus far destroyed nothing copyrighted. We are seeking authority to destroy a final residuum later on; articles that are worth nothing to the Government, or to other institutions, or to the copyright proprietor, though he has to be consulted.

Mr. TAWNEY. He has to have the discretion to say what shall be destroyed and what shall not be destroyed?

Mr. PUTNAM: Yes, sir. Under the bill the librarian and the register are to exercise this discretion. If the article is one that ought to be kept alive, the copyright proprietor is at liberty at that stage to send for it and withdraw it. That is a provision of the new copyright bill. If he does not, we in turn are at liberty to destroy it. If, again, on coming to that article we should revise our estimate of its value, it would then be possible still to hold it.

Mr. TAWNEY. How much space would be made available by the destruction of the material now in the library that you think could be destroyed?

Mr. PUTNAM. No space that can be utilized for the ordinary library purposes, because this storage is all in the cellar, in which no books should be placed which are in any use by the public.

Mr. TAWNEY. So that this space is not being utilized for anything else?

Mr. PUTNAM. No, sir.

Mr. BURLESON. But you would have to have another cellar after a while unless you can get rid of this stuff?

Mr. PUTNAM. Yes.

Mr. TAWNEY. So far as the authority for destruction is concerned, we might easily give you that authority in the appropriation bill.

Mr. PUTNAM. I sought authority at one time to turn over to the public library in the District some of our duplicates in general literature. There was a little misunderstanding about it. It was put into the bill by this committee, but on the floor a question was raised about it, and it was stricken out. The public library in the District as a lending library is supplying men in the government service with general literature that they can not get from us, and if we can help out that library with general literature that we have to buy in the first instance for Congress, but in which the interest of Congress has lapsed, it would help that library.

Mr. BINGHAM. Your operations run under the franking privilege in anything you do?

Mr. PUTNAM. We use the franking privilege for our official letters and official packages that have solely an official purpose, but we do not use the frank to send a book to another library for the benefit of an individual. He pays the expressage.

INCREASE OF THE LIBRARY.

Mr. BINGHAM. On what character of books do you spend the appropriation of \$109,500 for the increase of the library?

Mr. PUTNAM. We spend it for books which, in the first place, do not come to us from copyright; and, in the second place, in choosing from the rest we lay the emphasis on two fields—first, of course, on America. As a national library we are a library of record, and ought to be as complete as possible in American imprints, the output of the American press, and—

Mr. BINGHAM. Do you ever duplicate?

Mr. PUTNAM. We duplicate for the use of Congress. We must have half a dozen copies of Rhodes's History of the United States, for instance.

Mr. BINGHAM. I mean with this purchase money.

Mr. PUTNAM. Very little at all. In regard to other literature than American imprints, our choice is of the books that are needed by the scientific investigator in this country. We are not a library that deals with the general reader, except as he is a Senator or Member of Congress or a member of the family of a Senator or a Representative. We are a club library for Congress, but we are not taking the place of a local library, such as the public library of the District or other local libraries for the general reader or ordinary reader or children. We are interested chiefly in men engaged in research to extend the boundaries of knowledge, whether astronomical, or archæological, or political, or economical—whatever it may be.

Our policy is very well illustrated, if I may illustrate it for a moment, in the very special field of music. In the bill I make a special appeal for the division of music, and I would like to explain to this committee what we mean by music within our province. Now, to some persons "music" means that sort of thing [exhibiting copies of "ragtime" songs] coming to us from copyright—"coon" songs.

Mr. TAWNEY. Such as "A Hot Time in the Old Town To-night?"

Mr. PUTNAM. Yes, sir. Or it may mean what these may mean, coming to us from copyrights—"Old Black Joe," "Tenting on the Old Camp Ground," etc. These are the original compositions, deposited under the copyright law. They have interest for the historian and the sociologist, but they are not what we look for in our purchases. Or it may be this, a very heavy piece of parlor music for the piano, coming to us from copyright, that we did not have to buy. It may mean something still more significant, coming to us from copyright, of a composition for the orchestra. What it does mean in our purchases and serious development of the collections is the kind of music that the student of music, the critic, the historian, and the scientific investigator needs to get at. For instance, here is Händel, "The Messiah," one volume of an edition of over 100 volumes, which an ordinary performer does not need, but which the scientific investigator needs in this edition. Or it may mean a copy of a work which is not published, but which we get in the facsimile reproduction, which a private individual can not get, but which we can get, because we are the Government of the United States—a part of the Government of the United States—and maintaining a collection for a scientific purpose. Or it may be a hand copy which we are permitted to have made, because we are such an institution, but which no private individual can get permission to have made. It may mean a musical work published by a government, as some of these are. The Government of Belgium actually publishes music, and the Government of Austria does, and the Government of Prussia subventions publication, and some of these before you are actual compositions published by such governments.

Mr. TAWNEY. Do you have to pay for those?

Mr. PUTNAM. In some cases we have got them by governmental exchange.

Now, Mr. Chairman, we are not concerned with music as an art, any more than with painting or with sculpture as an art. But there is a great literature of music. There is a history and a science, and while there are on one side performers of music, just as there are painters and sculptors, so on the other side there are students of

music who need its literature, including scores, just as there are students of painting and of the other fine arts who need the literature of these, including prints, and we do not buy any such material as that except what would be of interest to such people.

In the selection of books in general we consider this: What are the other libraries of this country doing for the investigator? And how can we supplement that? We are not attempting to buy books such as the great endowed libraries are buying, like the Lenox or the John Carter Brown. We would not attempt to bid on books such as are contained in that catalogue [exhibiting catalogue]; but I have felt ever since I have been in office here that for us, coming into the market at a late date as a purchaser, we ought to apply our funds to the purchase of material necessary for the investigator, material of interest from its content, not merely curious in its form (museum books). Here is a catalogue of books of which we have not two items in the library—very tempting, very tempting, but we pass it by.

Mr. BINGHAM. Why tempting? What do they sell for?

Mr. PUTNAM. Their prices run up. Here is one at £160 (\$800). The prices of book curios run all the way up to \$30,000 and more. The British Museum does not let an item of such a catalogue go. But in this country and under our circumstances and obligations I have felt that for the present we must apply every dollar to useful books, rather than to curious books.

PUBLICATIONS ISSUED BY THE LIBRARY.

Mr. BINGHAM. Do you issue any publications of any character other than your annual report?

Mr. PUTNAM. We issue bibliographic lists which are reference lists on topics of current interest, generally starting with some topic which is under discussion in Congress. Then we issue catalogues of certain special portions of our collection, not bibliographies, but catalogues, as we did with a certain part of our print collection and of our music collection and certain of our map collections.

Mr. BINGHAM. To whom do you distribute that character of issues?

Mr. PUTNAM. We distribute to the libraries on our exchange list. There are about 2,900 institutions that are on our exchange lists for those. We place the major part of the edition with the superintendent of documents for sale at a small price. I believe in charging for these and for all similar publications of the library, as I do with respect to publications of the Government generally, that are not merely administrative.

Mr. GILLET. Does he sell many?

Mr. PUTNAM. Yes; he is selling them constantly.

Mr. GILLET. How many—do you know?

Mr. PUTNAM. We issued a catalogue, called the "A. L. A." catalogue, because it was compiled without expense to us, of 8,000 books suitable for a small library. We were interested in issuing it because it was aiding our sale of catalogue cards and formed a sort of key to a portion of the stock. We did not distribute a single copy of that to an individual, but distributed to each one of some 8,000 American libraries, and the balance of an edition of 20,000 copies was sold.

Mr. GILLET. How much apiece?

Mr. PUTNAM. Fifty cents. We issued another book, an index to portraits—

Mr. BURLESON. Was that other one self-sustaining?

Mr. PUTNAM. The sales covered the cost of the copies sold, but not the cost of the whole edition. In the index to portraits which we issued, the compilation of which cost us nothing, we did not distribute even a single copy to libraries. We made every library and individual who wanted a copy pay for it. In the case of the Journals of the Continental Congress we distributed a single set to each Senator and Member, and a very limited number, less than 300, to institutions. The remainder have been placed on sale and will all be sold—an edition of 2,000.

Mr. BURLESON. Will that be a self-sustaining enterprise?

Mr. PUTNAM. Yes, sir. That is true also of one of the one other original text that we printed—the Records of the Virginia Company—and not a single copy of that was distributed free. All were placed on sale.

Mr. BINGHAM. How large are the editions of the publications you make on a general subject?

Mr. PUTNAM. We issue those in editions of about 2,500 to a publication. We often have to reprint because of the great demand.

Mr. BURLESON. Those are sold?

Mr. PUTNAM. Yes; at from 5 to 15 cents a copy.

Mr. GILLET. The demand comes from whom?

Mr. PUTNAM. It comes from professors in universities, from editorial offices, and students. They send us applications for them, but we send them a response to the effect that they can be had for a nominal price from the superintendent of documents.

Mr. GILLET. That does not pay for the cost?

Mr. PUTNAM. It pays for the copies sold, because the price is put on by the superintendent of documents. He is obliged to fix the price at cost plus 10 per cent.

Mr. BINGHAM. Then all your publications except your annual reports are issued at your discretion?

Mr. PUTNAM. Yes, sir.

PRINTING AND BINDING.

Mr. BINGHAM. Now, we come to the bindery question. I wanted some knowledge as to your expenditures in connection with rebinding. How much do you spend as a rule? What are you allowed?

Mr. PUTNAM. We are allowed \$202,000 for all printing and binding. That covers the work that we send to the main Government Printing Office, which includes all the publications in book form, even the annual report. We have to pay for the maintenance of our branch bindery and printing office in the library building. The branch printing office in the library building is occupied chiefly with the printing of our catalogue cards. That is our own great catalogue, but it is also our means of making available to the other libraries the product of our catalogue work. Over 1,000 libraries are now subscribing to those cards and thus strengthening their catalogues. The printing office in the library, equipped with linotype machines, is engaged also in the work of printing the forms

used in administrative work. The bindery in the library is engaged only in part in rebinding.

Mr. BINGHAM. That is the largest item in your \$200,000?

Mr. PUTNAM. Yes, sir; but only a very small part of the binding is rebinding. We differ from the ordinary lending library in that respect. The most of what we do is to put into binding the material that comes to us in paper form. There would be, for instance, different numbers of a periodical making up a volume. When they make up a volume they are bound as a volume. Now, we are receiving some 6,000 different serials, aggregating half a million pieces a year, of periodicals alone, irrespective of the newspapers which we do not attempt to keep.

Mr. GILLETT. Are these all copyrighted?

Mr. PUTNAM. No, sir; some of them come through exchange, and some through subscriptions. As to our exchanges, owing to the fact that we are a government and national library, they are huge in volume. Then we receive the material that comes to the Smithsonian Institution by exchange—society publications (we have the greatest such collection in the world now)—and all sorts of exchanges. The bureaus send us material that comes to them, special in form, but inappropriate to their special provinces.

Mr. BINGHAM. Are they useful?

Mr. PUTNAM. Yes, sir; as other material is to the investigator.

Mr. BINGHAM. You have not the investigation in your office?

Mr. PUTNAM. No, sir. We are not a laboratory; but when the Bureau of Corporations, for example, wishes to ascertain the course of trade or prices during a certain period, there is no place for such investigations that compares with the Library of Congress, because, among other things, we receive all the trade journals, and we keep the files, and if you wish to examine into the current cost of an article or into the trade in an article during any period in the past, the Library of Congress is the place. Now they are the investigators.

Mr. BINGHAM. Who knows that in the outside world?

Mr. PUTNAM. Well, it is becoming known very generally—far more than one would realize from being here. We realize it from the fact that men come here from a distance—from Madison, for example, the University of Wisconsin, or from Cambridge, or from Philadelphia, or whatever place. Of course the government bureaus are using the library incessantly in such investigations. We are the sole repository for the material they have to quarry in. Now, the binding consists very largely in putting into covers the serials that come to us in paper.

Mr. GILLETT. You bind that whole 6,000?

Mr. PUTNAM. We bind about 5,000. There is some rejection there, but the fact that other libraries do not maintain a particular book anywhere in this country may be the very justification for our maintaining it against a future contingency, and that is where the maintenance of this building and of this institution here effects a saving to the country at large. An unusual book liberally administered here serves the whole country.

Now, besides the serials, there is a great deal of material published in paper form, monographs which we get from Europe, and we bind it here, because under the law we can not bind it over there.

Mr. TAWNEY. All the expense of binding is paid out of the appropriation for printing and binding, out of the amount allotted to the Congressional Library? None of it is paid out of this appropriation?

Mr. PUTNAM. No, sir; none of it is paid out of this appropriation.

Mr. GILLET. Let me understand that question.

Mr. TAWNEY. All the expense of printing and binding in the Congressional Library is paid out of the allotment of the appropriation for public printing in the sundry civil bill. I want to ask you, how does the cost to the library of printing and binding compare now with the cost some three or four years ago?

Mr. PUTNAM. I have not any figures to show that.

Mr. TAWNEY. At that time—three years ago, I think it was, this winter—you stated that the cost of binding to the Congressional Library was from 40 to 60 per cent greater than the cost of binding in other libraries, like Boston and Minneapolis. Do you know whether that ratio holds up now?

Mr. PUTNAM. I should not be able to say offhand how far it would hold.

Mr. BURLESON. You could easily ascertain?

Mr. PUTNAM. Yes.

Mr. TAWNEY. It was represented at that time that certain reforms had been inaugurated which would result in a material reduction in the cost of binding, and I wanted to ascertain if anything material had been accomplished in that line.

Mr. PUTNAM. Undoubtedly the library which does its binding by contract can get as good binding more cheaply than we get here. I would still say that as a general proposition; but as to the reasons which lead to the larger cost here—I do not mean for a moment to contend that they are not reasons which are perfectly intelligible and justifiable on grounds that you would not wish to avoid; for instance, vacations in the printing office and shorter hours; and I suppose there are other conditions here which make the output within a given period less.

Mr. LIVINGSTON. Do you know whether private contractors get supplies more cheaply than the Government?

Mr. PUTNAM. I do not see why they should, and I should be loth to believe it. I doubt it. The Government is buying more, and I do not see why it should not get as good material. But I think, sir, that a private binder gets a little advantage over us by the fact that he is buying less material and inspects more carefully what he gets.

Mr. LIVINGSTON. And when he pays cash he gets a discount, while the Government does not do it?

Mr. PUTNAM. I do not know about that.

Mr. LIVINGSTON. Mr. Stillings did, and the man that left there a few days ago refused to take that discount. They saved \$30,000 in eight months there by those discounts.

Mr. PUTNAM. I do not see why the Government should not get its material more cheaply than any private firm, because it is buying so much more.

Mr. GILLET. That depends on the individual, of course?

Mr. PUTNAM. Yes.

Mr. BINGHAM. What control over your binding force have you, other than to feed them with work?

Mr. PUTNAM. None.

Mr. BINGHAM. Of course, you understand there is a disposition to cut down very materially in this bill, not with you alone, but with all the other departments of the Government. You have had fair allowances during the current year. Could you not run your whole department, with one or two exceptions, without any increase in salaries? I am asking that as a general proposition.

Mr. PUTNAM. Mr. Chairman, this committee, like Congress, has been exceedingly considerate with our institution. I in turn have tried to be absolutely frank with this committee. It is true with us, as it may be true with other departments, that we are losing people all the time from inability to pay them higher salaries than we do. During the last few years we have lost 40 people out of the catalogue division; 40 people have absolutely left us out of 91.

Mr. BURLISON. Their service is not lost to the country, though?

Mr. PUTNAM. It goes largely to the government offices and other institutions.

Mr. TAWNEY. Is that a detriment to the service? Are you not getting new blood into the institution all the time by reason of these changes?

Mr. PUTNAM. Not from that point of view do we consider it an advantage, because the people who leave us are the people we could least spare and not the best spare. They are attracted by a \$1,200 salary when they get \$900 with us. Among other services that we do for the Government and for the libraries of the country is this, to graduate expert service from our library.

Mr. BINGHAM. You are perfectly willing to give men as well as valuable books?

HEAD OF DIVISION OF MUSIC.

Mr. PUTNAM. Yes; and it extends the influence of the Library of Congress and its methods. But there are one or two critical positions at the head of certain work in which such a loss would be serious. I can replace \$900 and \$1,000 people, but not these others. Now, there is one man as to whom I am very much in earnest, and as to whom I should like to make out a case that would appeal to you. If you should lose him you would lose a valuable man, who is unique not merely in this country but perhaps in the world. That is the chief of the division of music. I formerly had a man filling a \$1,500 position at the head of that division, but I came to this committee and said: "What must we have there? We are a research library, not a parlor library or a recreative library. If you let me, I would like to build up there a library for scientific investigators. Give me \$2,000 for that position, and I know where I can find a man for that sum to start in." You gave me that sum, and I found the man. Now his own circumstances have changed, and I am afraid we will lose him. I would rather have \$1,000 additional for him and put him on the same basis as other chiefs of division than to have any new \$1,000 position that you could give me.

Mr. BURLISON. Do these men use the positions you give them to advance their own interests by having new fields of opportunity opened up to them by reason of the fact that they hold these places,

and then come back to you and say, "You must increase me or I will quit?"

Mr. PUTNAM. I know of no such instance. Here is a man who is just leaving, and his departure has given me great apprehension about these other men. This is the chief of the division on manuscripts, Mr. Worthington C. Ford, a man unique in this country in his combination of knowledge for that position. He has been getting \$3,000 with us. He is leaving us to go to a \$5,000 position in the Massachusetts Historical Society.

Mr. BURLISON. But the country does not lose his services.

Mr. PUTNAM. No, but the library is out of pocket. He has been editing the Journals of the Continental Congress. He was a man who, for that work, which was purely incidental to his other duties, has not an equal in this country. He knows every item in our collections. He has worked day and night with us, not to gain himself reputation outside, but to acquire material for us, to digest it and classify it and interpret it, and his presence at the library has brought to the library collections worth several times the salary we have paid him, collections that have come by gift. The few men at the head of these divisions who are specialists make a difference to us with the public, not merely in sentiment, but in actual service, as a great research and scholars' library as against an ordinary collection of books.

SCOPE AND PURPOSE OF THE LIBRARY.

Mr. GILLET. I want to ask you, Mr. Putnam, to say in a few words what you consider the scope and purposes of this Congressional Library.

Mr. PUTNAM. Well, sir, in the first place, it is a library of record. (I think I can say it in a few words.) It is made a library of record from the fact that it is the copyright office and gets publications copyrighted here automatically. It is a library of record for this country, just as the British Museum and other national libraries are for foreign countries. It is a library that must be complete in America beyond any other because of the obligation which the possession of the copyright material entails and the fact of its being a national library. It is the Library of Congress and the central library for the departments and scientific bureaus of the Government. Outside of that, it is a library to serve the general investigator throughout the country, not by taking the place of or substituting itself for his own public library, or his own academic library, or his own endowed library, but by supplementing those. It may enable him by a trip to Washington to save a trip abroad. It helps to even up the opportunities of investigators all through the country by lending books to institutions that are themselves unable to aid him, even within their own proper scope. Over and above that, we are doing what other national libraries are doing, but when it comes to the service that we perform we are doing service which they are not doing—for instance, the service of our bibliographic division, issuing lists which give life to material which is submerged. We answer questions from all over the United States involving bibliographic information. It is to bibliographic information that we limit ourselves, but as to that we are a sort of central bureau of information.

Then we are aiding the entire country, so far as the libraries are concerned, by saving them an expense as a central cataloguing bureau, utilizing opportunities which are unique in the world. That is all irrespective of the work which we do as a reference library to the investigator who comes here to Washington. And in considering the field we are to occupy I would like to repeat that we are trying to do what other libraries in this country are not doing, and later on, incidentally, we are also doing or will be doing what no other library in the world is doing, in certain forms of service.

Mr. BINGHAM. In regard to reference facilities, then, you are so adjusted that a scientific man can come to you for information he needs and get the books he desires?

Mr. PUTNAM. Yes, sir.

Mr. BINGHAM. You are so organized to that end?

Mr. PUTNAM. Yes, sir. There is a great deal of material that we can not get in its original form, but if it is abroad we try to get a reproduction of it. We are not putting money into rare manuscripts, but we are doing some transcribing of manuscripts abroad which are of concern to students of American history. Instead of spending money for unique originals, we spend far less money to get a copy, so that the text will be here. We are doing that in the London Record Office and in the British Museum and in Bodleian Library. If it is a map, we try to get a photograph of it.

Mr. BINGHAM. Have you many inquiries from state administrations and state officials on subjects such as mines and mining, and military affairs, and so on?

Mr. PUTNAM. Yes, sir; inquiries for bibliographic information come from various States.

Mr. BINGHAM. I mean officials of libraries in the States?

Mr. PUTNAM. Yes, sir.

GENERAL ADMINISTRATION.

Mr. BINGHAM. Under the heading, "General administration," what is there that you can do without that you have italicized on page 43?

Mr. PUTNAM. I could least afford to spare the first \$1,200 salary and the messenger boy at \$360.

Mr. TAWNEY. What do you mean by "assistant in charge of accounts?" Do you mean keeping accounts, or in charge of them? Does it mean what it says?

Mr. PUTNAM. That is the clearest description that the chief clerk could suggest of the work that he was to perform.

Mr. TAWNEY. He is to have charge of the accounts and keep them in order?

Mr. PUTNAM. Yes; accounts of all appropriations, and vouchers drawn for the purchase of books. We have to know where we stand with respect to every appropriation and the expenses of binding.

Mr. LIVINGSTON. Where is that done now?

Mr. PUTNAM. It is done in the office.

Mr. BINGHAM. What can you do without there? It seems to me there, in that general administration, that is a pretty large increase.

Mr. PUTNAM. We have helped out my office and the chief clerk's

office by borrowing people from other divisions, and of course it means a pressure on those other divisions which it is difficult for them to meet, and this provision is necessary to adjust things so that we shall not have to borrow. If it is a question of what we could get along without in the next year, I should say we could best get along without one assistant in charge of stationery at \$1,000. In the case of two stenographers, that is a net reduction and a net gain.

Mr. BURLSON. You ought to have put the words "temporary reduction" there. What is the duty of these typewriters and stenographers? Are they identical?

Mr. PUTNAM. The correspondence of my office involves 30,000 letters a year.

Mr. BURLSON. Are they identical in character, these stenographers?

Mr. PUTNAM. No, sir. I wanted a \$1,200 place for the senior stenographer because of the requirements. That person has to take difficult correspondence, often involving foreign languages. We are in correspondence with institutions all over the world, and we require a highly expert stenographer, such as are paid in the government bureaus \$1,500 or \$1,600.

Mr. BURLSON. Have you had her here for any length of time? Is she threatening to quit?

Mr. PUTNAM. The one who was my chief stenographer is now my secretary at \$1,800, and what I want the \$1,200 position for is this, that we want to get into her place as stenographer somebody who has a knowledge of foreign languages, and whom I could not get for less than \$1,200.

Mr. BURLSON. The place is not filled, then?

Mr. PUTNAM. No, sir.

Mr. GILLET. That is a net gain to the Government, then, of \$50?

Mr. BURLSON. But it is only temporary.

Mr. PUTNAM. This one has not been able to handle the foreign languages, and I have had to borrow some one from the bibliographic division to attend to the foreign correspondence from time to time.

Mr. GILLET. One of these changes is simply a change of title?

Mr. PUTNAM. That is all.

Mr. BURLSON. There is quite a difference in the salary of those two typewriters, though?

Mr. PUTNAM. Yes; but the subordinate one at \$720 does just the ordinary work and takes care of the simple records in the office. Seven hundred and twenty dollars is ample for that, and would continue ample.

Mr. TAWNEY. I wish the heads of other departments thought the same thing with regard to their ordinary stenographers.

Mr. PUTNAM. Of course, we pay more than business concerns do for ordinary work.

Mr. GILLET. What do you need with another messenger boy?

Mr. PUTNAM. I have a messenger to take care of my door, and so on, but there is nobody to run about with the supplies and stationery, and so on, unless we borrow some one from some other division in the library; and it is rather expensive to take some other messenger at \$840 to do that work.

Mr. BURLSON. It would not be if he otherwise was doing nothing while carrying that package.

Mr. PUTNAM. No; but it is a fact that they are worked up to the hilt as it is.

ORDER AND ACCESSION DIVISION.

Mr. TAWNEY. Your next increase is under "Order and accession;" assistant in charge of publications, and one messenger at \$360. That is all new?

Mr. PUTNAM. We have had no special provision for the handling of our publications.

Mr. TAWNEY. How are they handled now?

Mr. PUTNAM. By detail of people from other divisions.

Mr. BINGHAM. Does that borrowing at all interfere with the other divisions?

Mr. PUTNAM. Very much.

Mr. BINGHAM. Not in a serious way?

Mr. PUTNAM. Yes; in a serious way. I have postponed applications from these divisions to avoid that, because I was pressing for other things; and as the general work is increasing all over the library, it is a very serious matter.

Mr. BURLESON. That is a very modest item, "assistant in charge, \$1,500;" but how long would that remain that way before we have the publication section in caps, like "mail and delivery," and a horde of clerks under him? How long will it be?

Mr. PUTNAM. Of course we all recognize the tendency of every department and bureau and institution in perfectly sincere enthusiasm to develop everywhere and everything in accordance with their views of useful work to be done. It is a great temptation. I can only say to this committee this, that since I came before it, when I first had opportunity, in 1899, I submitted the organization that I proposed for the ensuing immediate future, and that except as I asked for a few stenographers and these people in the law library and copyright office and the card section, which is self-supporting, I have kept to that organization. This is the first time absolutely that I have asked for anybody outside of it. I think you can only judge by a general impression of the tendency of the executive before you. The tendency, of course, you have correctly stated. We would not be good for much if we did not see more things to do than are seen by others.

BINDING DIVISION.

Mr. BURLESON. Can you save us the necessity of striking out that word "chief" on page 46 by striking it out yourself?

Mr. PUTNAM. Yes, sir.

Mr. BURLESON. We might overlook it, you know, some time, and let one of them in.

Mr. PUTNAM. The only difference is in the three positions I have stated.

Mr. BINGHAM. That is on binding. Has that line of work increased?

Mr. PUTNAM. Yes, sir.

READING ROOMS.

Mr. BINGHAM. Your visitors have increased in the reading room?

Mr. PUTNAM. It is not that. It is the material that has spread and the outside relations requiring communication.

Mr. TAWNEY. What are the duties of a stenographer? What is the necessity of a stenographer in the reading room?

Mr. PUTNAM. In an ordinary library that would be called, also, the "delivery and issue department." It sends out all the books and handles all the applications for books from the outside. It writes all the notices of books overdue. It handles all those notices as to books to other institutions and attends to all the charging of records. That involves correspondence, just as below the increased use by the scientific bureaus of the library involves incessant use of the telephone in the reading room. This is a growing use. It has only come within the last few years, and we do not now have by law any telephone operator.

Mr. BINGHAM. How many telephone operators have you, all told?

Mr. PUTNAM. Mr. Green in his disbursing office has the central telephone. It is down in his office. Then there is a telephone at the central desk in the reading room, where we need one, because that is the channel of applications from outside, and it was found that if we depended on the telephone being heard by the attendant at the desk who was serving a reader some Senator or some executive officer of a department having an important inquiry was kept waiting, or the call was neglected.

Mr. BINGHAM. You do not need any stenographic operator in that room?

Mr. PUTNAM. We did not get a stenographer; only an ordinary operator.

Mr. BURLESON. Without any view of depriving you of the service of a stenographer if you need one in the congressional reading room, I want to ask you if you could not use one of those other employees for that purpose? I have been over there once or twice, and I must say that I have seen some of the most graceful idlers in that building that I ever saw in my life.

Mr. PUTNAM. Attendants?

Mr. BURLESON. Yes; attendants. This stenographic work and typewriting is simply writing notices on cards, is it not?

Mr. PUTNAM. It is also taking dictation.

Mr. BURLESON. But only to a very limited degree? Don't you think, Doctor, you could use some of these other employees for that purpose?

Mr. PUTNAM. I would not try to mislead you. We are using one of those salaries for that purpose now; but in the meantime that salary is withdrawn from the service at the stack or desk, and you must remember the collections are extending all the time. The galleries for which I ask the boys are occupied now by material in active use. We shall have to have the new stack attended to. I shall not ask for a single additional attendant for that task, but I propose to ask for more \$480 people in place of the existing \$720 people.

Mr. BINGHAM. When will that be finished?

Mr. PUTNAM. I suppose in a year and a half. But as the books become classified it ought to be possible to do with a lower grade of attendants in the stack. Now, this \$900 attendant is taken from the desk. It may be at moments that four or five people may be apparently doing nothing at the desk, but it is not so through the working hours of the library.

Mr. GILLETT. How about those two attendants for the gallery and alcoves?

Mr. PUTNAM. Those are boys. I put those at salaries which I propose for such service hereafter. We need them very much.

PERIODICAL DIVISION.

Mr. TAWNEY. The next increase is for chief of periodical division, \$2,500 instead of \$2,000. How about that?

Mr. PUTNAM. That is no crisis in the periodical division any more than it is in the prints division. It is not like the music division.

DOCUMENT DIVISION.

Mr. BINGHAM. The next increase is under the document division, on page 48.

Mr. PUTNAM. There I ask for an additional \$1,200 employee.

Mr. BINGHAM. Is that pressing?

Mr. PUTNAM. Yes; owing to the immense amount of material that has to be handled—the international exchanges with foreign governments.

LAW LIBRARY.

Mr. BINGHAM. In the law library there are some changes?

Mr. PUTNAM. Yes. The law library is unable with its present force to take care of the service here and the subdivided collection. We have 125,000 volumes in our collection, but only 30,000 can be placed here. The rest have to be placed temporarily in the main building. Those two collections involve incessant use, more than the force can handle. It is not able to do anything in the way of cataloguing.

Mr. TAWNEY. Have you ever taken up the matter of occupying the room here used by the old library?

Mr. PUTNAM. I took it up at the time that the old library space was remodeled, and there was a suggestion at that time that part of that space should be used. Then, when the question of the extension of the east front came up, there was a provision in the sketches for a room there.

Mr. TAWNEY. It seems impracticable to have a part of the library here and part over there?

Mr. PUTNAM. It is not an economical arrangement. In the compensation of the law librarian I do not propose any increase, but it is only to consolidate under the one head the two items.

Mr. BINGHAM. You consolidate two items taken from different places?

Mr. PUTNAM. Yes, sir. I ask that his salary shall come under one head, including the additional compensation.

Mr. BINGHAM. Are the other recommendations there as to subordinates important?

Mr. PUTNAM. Yes, sir; they are important to their needs there.

COPYRIGHT OFFICE.

Mr. BINGHAM. The copyright office is seemingly your great source of increase?

Mr. PUTNAM. Yes.

Mr. BINGHAM. What is your revenue?

Mr. PUTNAM. Eighty-two thousand dollars.

Mr. BINGHAM. What is your expense?

Mr. PUTNAM. Seventy-five thousand dollars.

Mr. BINGHAM. That difference is plus?

Mr. PUTNAM. Yes, sir. This estimate would exceed the difference for this year. If, however, the bills for copyright now pending should go through, even the administrative portion of them, as to which there is no objection, the receipts ought to increase appreciably; I can not estimate how much. Under those bills we would furnish a certificate in every case, and charge a dollar instead of 50 cents for an entry. In any event the work is going to increase.

Mr. BINGHAM. This is not based solely on the success of the legislation now pending?

Mr. PUTNAM. Not solely, because the routine of the office requires additional people. If the legislation goes through the receipts would increase very greatly.

Mr. BINGHAM. That is in futuro?

Mr. PUTNAM. Yes. But I should be afraid to attack the new work that would be produced under the bill with the present force, and I feel very urgently that we should get some aid in this bill.

DISTRIBUTION OF CARD INDEXES.

Mr. BINGHAM. As to the distribution of card indexes you stand the same? Does that work increase?

Mr. PUTNAM. It has increased, but there is no greater expense.

Mr. BINGHAM. Do these other items need to stand the same?

Mr. PUTNAM. There is not one that I can spare.

CARRIER SERVICE.

Mr. BINGHAM. Carrier service; that is new.

Mr. PUTNAM. That is to send books over to the new office building. They found it impracticable to send their messengers over to us, and we have not messengers that we can use to send books over to the House Office Building.

Mr. TAWNEY. Why can they not send their messengers over?

Mr. PUTNAM. They telephone to us to send books over to them immediately.

Mr. BURLERSON. If you said you could not send a messenger over with them, that would make the fellow mad, and he would be raising a point of order on the bill when it comes in.

Mr. PUTNAM. Yes. Of course, this is purely for the convenience of the House, and we have no interest in it otherwise.

Mr. BINGHAM. Assuming on page 54 that we gave you current law, would you spend that on this item on page 54? Does this cover the details there set forth?

Mr. PUTNAM. Yes.

Mr. BINGHAM. Then there is no increase?

Mr. PUTNAM. None.

INCREASE OF THE LIBRARY (AGAIN).

Mr. BINGHAM. Sunday opening the same, and increase of the library, of course, is the same. That is needed—\$100,000?

Mr. PUTNAM. Yes, sir.

Mr. TAWNEY. Let me ask you: Up until 1908 you got along with \$90,000 there for four years. Are your increases larger now than they were then? Is the necessity for increase now greater than it was then?

Mr. PUTNAM. We are able to widen by \$10,000 the area of our purchases. The less money we have to spend, the more opportunities we have to forego. This is as big as a lump of chalk, so to speak. It is expensive to wait for certain things because books are increasing in price.

Mr. TAWNEY. What are the books you buy chiefly—American publications or foreign publications?

Mr. PUTNAM. Chiefly foreign. The only reason we have to buy American publications is that they are not copyrighted here if current, or if not current they did not come to the library, or if they came here they fell out because the library was not then properly digested.

Mr. TAWNEY. Have you a man abroad who looks after these investigations?

Mr. PUTNAM. We have not anyone permanently abroad, but a man goes abroad every year or so. One should go abroad every year.

Mr. TAWNEY. Is his salary paid out of the appropriation?

Mr. PUTNAM. No, sir.

Mr. TAWNEY. Just his expenses?

Mr. PUTNAM. Yes.

Mr. BURLESON. Who is it?

Mr. PUTNAM. Doctor Spofford went over twice. I have been over twice; Mr. Griffin went this year. Mr. Phillips went once, for maps principally. The expense is generally between \$500 and \$700 for traveling expenses debitable to these trips abroad. They are absent generally from six weeks to two months.

Mr. BINGHAM. Since 1901 you have always estimated \$100,000, and yet you have grown from \$50,000 in 1901 clear up to \$100,000. Your estimates have been consistent for \$100,000.

Mr. PUTNAM. We need it. And as it is, I am obliged to forego opportunities which other libraries take advantage of.

There is one thing, Mr. Chairman, if you will permit me to remark. This is the only field in which the Government is expending anything practically for the encouragement of literature or of the fine arts or of music.

Mr. TAWNEY. What do you call these appropriations that are made for libraries in the various departments?

Mr. PUTNAM. They are very small amounts, a few thousand dollars. We consider ourselves part of a national system. Here is France spending \$3,000,000 a year for fine arts, spending several hundred thousand dollars a year in maintaining a conservatory of music, and an opera, and theaters. Every little country abroad is spending money for such purposes. This Government is not. This Government is spending only for literature, and included in that is the recorded literature of the fine arts and music. Foreign governments are even publishing music themselves.

INDEXES, DIGESTS, AND COMPILATIONS OF LAW.

Mr. TAWNEY. There is a material increase in the estimate for indexes, digests, and compilations of law on pages 76 and 57.

Mr. PUTNAM. Yes; two positions, at \$3,000 and \$2,400. That work was imposed upon us, and it was provided that it should be administered under the law library, and they have accomplished this much of it [submitting index of the Statutes at Large from 1873 to date]. We know now just what we have to do, and just what the defects are in our organization for doing it. We got in a number of well-educated, clever people under Doctor Scott and Mr. Beaman to do this particular piece of work. Those people we have not been able to hold because the salaries were not sufficient. They have had a college education and a legal education, and the only way we could have held them was—against the practice, of course—to assure them of an advance. The law librarian can not permanently take the headship of this work. We can not spare him from the administration of the law library. We have got to have a man who represents in expert knowledge as much as he to take direct charge.

Mr. BURLESON. If he is not going to have anything to do with it, why pay him that \$500?

Mr. TAWNEY. Who are you referring to now?

Mr. PUTNAM. Mr. Beaman. I should pay him that to organize the force and plan the work, and as he has been in charge of it heretofore, he must necessarily give a great deal of attention to it in the coming year. That volume covers the Statutes at Large from 1873 down to date. The Statutes at Large from the beginning will take several years; we can not estimate precisely how long.

Mr. BURLESON. There ought to be less of work involved in indexing the Statutes from the beginning of the Government down to 1873 than from 1873 since.

Mr. PUTNAM. In one sense it would be so, but from their estimate of the difficulty of the task they seem to think it will take from two to four years more.

Mr. BURLESON. Will you consult with the man in charge and have him make an estimate of the length of time it will take, and address a communication to you, to be transmitted to us in order that it may go into the record here and be printed, so that we can have it ten years from now to look back upon and say, "We tried to have you fix the estimate, and you did fix it, and here it is five years over?" [Laughter.]

Mr. TAWNEY. How do you distribute this work?

Mr. PUTNAM. We have no control over this. It was published under the same conditions as the Statutes at Large themselves, and under the same methods of distribution. We have ourselves had to buy 40 copies for our own use and pay for them out of our appropriation for books.

THE LIBRARY OF CONGRESS,
OFFICE OF THE LIBRARIAN,
Washington, December 2, 1908.

SIR: For reasons suggested at the hearing yesterday, I believe the following would be a useful provision of law:

"[Subject to the approval of the Committees on the Library] the Librarian of Congress may from time to time transfer to other governmental libraries within the District of Columbia, including the public library, material in the

possession of the Library of Congress in his judgment no longer necessary to its uses, but in the judgment of the custodians of such other collections likely to be useful to them."

The Revised Statutes (ch. 6, sec. 86) contain the following provision:

"Duplicate, injured, or wasted books.—The Joint Committee upon the Library may, at any time, exchange or otherwise dispose of duplicate, injured, or wasted books of the library, or documents, or any other matter in the library not deemed proper to it, as they deem best. Act June 26, 1848, ch. 73, sec 1, 9 Stat., 240."

Under existing law, therefore, the committees would seem to have power to authorize such transfers as the above, and it may seem desirable that they should consider and pass upon the general policy of them as applied to particular species of material. The provision suggested contains a clause which would insure the submission to them of the policy proposed.

As, however, the intervention of the committees would be likely to become perfunctory, and as the discretion involved is of much less moment than others committed directly to the librarian, I have bracketed this clause. Librarians are ever tenacious of the collections of which they have charge, and it is not to be supposed that any Librarian of Congress will willingly part with material in the library unless absolutely sure that it is superfluous there.

The material transferred to the department and bureau libraries would be either (1) odd volumes needed to complete their incomplete sets or (2) other material (as medical books to the library of the Surgeon-General's Office) suited to their special fields, but not to the more general one of the Library of Congress.

The material transferred to the public library would be almost entirely *duplicates in general literature*.

The general policy of such transfers has been recognized by Congress in the act of February 25, 1903, of which I append a copy. Under this no less than 108,000 volumes and many manuscripts have already been transferred from the department and bureau libraries to the Library of Congress.

Very respectfully,

HERBERT PUTNAM,
Librarian of Congress.

The CHAIRMAN SUBCOMMITTEE ON THE LEGISLATIVE, ETC., BILL.

[Inclosure.]

LEGISLATIVE APPROPRIATION ACT, FEBRUARY 25, 1903.

The head of any executive department or bureau or commission of the Government is hereby authorized from time to time to turn over to the Librarian of Congress, for the use of the Library of Congress, any books, maps, or other material in the library of the department, bureau, or commission no longer needed for its use, and in the judgment of the Librarian of Congress appropriate to the uses of the Library of Congress.

Any books of a miscellaneous character no longer required for the use of such department, bureau, or commission, and not deemed an advisable addition to the Library of Congress, shall, if appropriate to the uses of the Free Public Library of the District of Columbia, be turned over to that library for general use as a part thereof.

THE LIBRARY OF CONGRESS,
OFFICE OF THE LIBRARIAN,
Washington, December 3, 1908.

SIR: The law librarian estimates that the minimum time required for preparing for publication the remaining portion of the index to the Statutes at Large (of which the volume thus far published covers only the general laws since 1873) will be as follows:

(a) With the present force, five years from July next.

(b) With the two additional assistants requested in our estimates for the coming year, three years from July 1 next.

He notes that while volume 1 was prepared in less than two years with a force of about six persons, this was accomplished only working by day, by even-

ing, and on Sundays, and practically without vacation, a practice neither healthy nor that can continue.

He notes also that the work to be done includes not merely 15,000 pages prior to 1873, but 18,000 pages subsequent to 1873, but not covered by the volume issued because not embracing general laws.

Further, I should add this: That during the first period high-grade assistance was secured at low salaries, in the expectation (though without assurance) of later advance in pay. But the inability to advance the salaries to the point to which the positions would be attractive has lost to us all except two of the persons originally employed, and reduced by so much the net efficiency.

My recommendation of a \$3,000 salary at the head of this work was with the ultimate purpose of relieving entirely the law librarian of the conduct of it. My recommendation that he should continue to receive for the coming year \$500 in addition to his regular salary for supervision of it had in view the clear necessity that during the first year he should give it much time (including much outside library hours) for such supervision, as he has been in direct charge of the work from the first.

In candor, however, I must not omit to add that his salary as law librarian alone should be \$3,000, and that I shall in due course recommend that the position carry this. I can not for less secure or retain a man with suitable general education, with legal training, with administrative ability, and competent for efficient relations with the collections, and with the bench, the bar, Congress, and the investigator, all of whom are to be served. The man competent in all these respects can, as a rule, do much better in the practice of law.

As to the indexing work proper I should also note that the provision creating this section of our roll, and under which it exists, prescribes for its work not merely the preparation of the index to the Statutes at Large but of "such other law indexes, digests, and compilations of law as may be required by Congress for official use."

I have assumed that this provision had in view a permanent indexing corps. The service is one outside the regular scope of the library, and merely as Librarian of Congress I do not feel called upon to argue for it, but the utility of such a permanent corps of experts and the economy must be obvious.

Very respectfully,

HERBERT PUTNAM,
Librarian of Congress.

The CHAIRMAN SUBCOMMITTEE ON THE LEGISLATIVE, ETC., BILL.

LIBRARY OF CONGRESS BUILDING.

CUSTODY, CARE, AND MAINTENANCE OF.

STATEMENT OF MR. BERNARD R. GREEN, SUPERINTENDENT.

Mr. BINGHAM. You are requesting an increase of 2 laborers—from 14 to 16 laborers?

Mr. GREEN. Yes, sir. I have asked for them two or three times. It is a slight addition but a matter of great importance.

Mr. GILLET. Every year when I come up against this estimate for taking care of that one building, it seems to me as if the man running that establishment had no idea of economy or efficiency. It does seem outrageous.

Mr. GREEN. That is not one building.

Mr. GILLET. What is it?

Mr. GREEN. It is a multiple.

Mr. GILLET. What other buildings?

Mr. GREEN. It is a big building.

Mr. GILLET. Yes, sir; but \$79,000 is a large sum of money for taking care of it.

Mr. GREEN. And maintaining it. It is not simply for taking care of the building and keeping it in repair, but furnishing the coal for

heat, and everything of that sort. More than half the money that is appropriated for what you call "fuel, lights, and repairs," etc., goes into coal.

Mr. GILLETT. I think that is not included in this clause. The \$79,000 on page 57 is just for labor, so far as I can see.

Mr. GREEN. It is for care and maintenance.

Mr. GILLETT. You get \$32,000 more for fuel and lights?

Mr. GREEN. Yes, sir. What other building have you in the Government, anyway, as large as the Congressional Library that costs as little?

Mr. GILLETT. I think they are all horribly extravagant.

Mr. BINGHAM. You think that you would be in distress should we not give you the two additional laborers?

Mr. GREEN. Yes, sir.

CHARWOMEN.

I also ask for five more charwomen. They are the scrubbers.

Mr. BURLESON. Has your floor space increased?

Mr. GREEN. No; but the amount of dirt which collects has increased.

Mr. GILLETT. Why?

Mr. GREEN. Because more is going on; there is more traveling.

Mr. GILLETT. It is just as easy to wash a floor with a little more dirt on it; the same number of charwomen can do it?

Mr. GREEN. But they can not do it as well. It is not so much the floor space as the amount of dirt you have to scrub. If it is a very dirty floor you have to scrub it twice, and if not, you can get along with one scrubbing.

Mr. BINGHAM. Do you keep the whole account of your appropriation?

Mr. GREEN. Yes, sir.

Mr. BINGHAM. To whom do you render that account?

Mr. GREEN. It is reported in my annual report to Congress.

Mr. BINGHAM. What do you do with your account when it is completed in your office?

Mr. GREEN. It goes to the Treasury Department direct.

Mr. BINGHAM. It does not go to the Librarian of Congress?

Mr. GREEN. No, sir.

Mr. BINGHAM. He does not touch it in any respect?

Mr. GREEN. No. I disburse his money, too. Of course the accounts are approved by him, such expenses as he incurs.

Mr. TAWNEY. Do you know when this central heating plant is to be completed?

Mr. GREEN. No, sir; I know nothing about it, as I have nothing to do with it.

Mr. TAWNEY. When that heating plant is put into operation the appropriation of \$32,500 for light, etc., will be omitted?

Mr. GREEN. There will be a chance of a reduction. We will not have any coal bill then.

Mr. TAWNEY. As I understand, inside of a year that plant will be in operation?

Mr. GREEN. I do not know as to that.

FUEL.

Mr. TAWNEY. Do you know how much of this appropriation is expended for fuel? Have you any detailed statement that would show the amounts expended under different heads?

Mr. GREEN. Yes, sir. We have to buy 3,500 tons of coal and pay pretty nearly \$5 a ton for it. We spend probably \$17,000 of the appropriation for coal alone. I do not know whether that is in the report as a separate item.

Mr. TAWNEY. Have you your own dynamos?

Mr. GREEN. Yes, sir.

Mr. TAWNEY. Then the coal generates the power that makes the electricity that makes the light?

Mr. GREEN. Yes, sir. We have to light the library every night. It is rather a heavy load on the plant. We have to have the boilers running all day, but, of course, running low, except the few hours from twilight in the afternoon until 10 or 11 o'clock at night, when the library closes, Sundays included.

REPAIRS.

Mr. TAWNEY. Do you know how much of this appropriation is expended for repairs?

Mr. GREEN. We have two or three departments. We have the department of housekeeping, and there is the engineer department, which is the running of the machinery and the electrical department. In the housekeeping department \$283.07 was expended for repairs.

Mr. TAWNEY. Out of this appropriation?

Mr. GREEN. Yes, sir; that is just for the housekeeping department. Then there was expended for repairs to plumbing, machinery, etc., \$923.71. That would make just for that one item about \$1,200.

MISCELLANEOUS SUPPLIES.

Mr. GILLET. Where are the miscellaneous supplies?

Mr. GREEN. Under the housekeeping department. Ice is more than \$1,000; painting, \$1,779.37; hardware, \$864.46; dry goods—that is, the cloth and stuff which is used in the cleaning throughout the building—\$601.55; housekeeping supplies, \$400.40; miscellaneous supplies, \$285.34; cleaning compounds—for soaps and all that sort of thing—\$270; washing towels, \$268.02; painting supplies, \$230; soaps, washing soaps, \$195.80; and toilet supplies, \$184.75.

FUEL (AGAIN).

Under the engineer department the coal bill last year was \$20,595.85.

Mr. LIVINGSTON. What is your contract price per ton of coal?

Mr. GREEN. The last contract was about \$4.70.

Mr. TAWNEY. That is anthracite coal.

Mr. GREEN. Yes sir. We have to use the more expensive coal on account of the smoke and the way we are fixed over there.

STATIONERY.

Mr. TAWNEY. How much of this appropriation is expended for stationery?

Mr. GREEN. Very little of this appropriation is expended for stationery. Miscellaneous supplies in the office, \$180.03, and telephone service, \$854.02.

TELEPHONES.

Mr. TAWNEY. Is that for the entire building?

Mr. GREEN. Yes, sir; I run the switchboard and the whole telephone service out of this appropriation.

Mr. TAWNEY. How much of this \$854 is paid to the central office for messages?

Mr. GREEN. Very little. Do you mean for long-distance messages?

Mr. TAWNEY. No. What is your arrangement for trunk-line connection with the local telephone company?

Mr. GREEN. It is on the same scheme as they have for all the departments. We have to pay a certain amount for the rental of the trunk lines and a certain amount for the switchboard, etc., per month, and then we pay so much per message, 5 cents or 4 cents.

Mr. GILLET. Two cents.

Mr. GREEN. Whatever it is. I think it is more than that.

Mr. TAWNEY. There is a uniform rate of 2 cents.

Mr. GREEN. We are under the same contract as all the government departments.

Mr. LIVINGSTON. Do you pay by the running foot, or yard, or mile on the wire?

Mr. TAWNEY. The uniform rate is 2 cents for messages through the station about the city. Long-distance messages are paid for at the regular rates.

Mr. GREEN. We have some long-distance messages; not very many.

Mr. LIVINGSTON. We found in some of the departments that they paid by the running foot, and the wire was run out of the way and made the trip three times as long as necessary.

Mr. GREEN. Through the concerted action of the departments there is a very compact system, and we are all on the same basis.

FURNITURE, INCLUDING PARTITIONS, SCREENS, SHELVEING, AND ELECTRICAL WORK.

Mr. BINGHAM. Do you use all of the \$40,000 every year?

Mr. GREEN. We have not had it every year.

Mr. BINGHAM. You have had it for a number of years past.

Mr. TAWNEY. There has been \$325,000 appropriated in eight years.

Mr. GREEN. Yes, sir; something like that.

Mr. BURLISON. What did you use that appropriation for last year?

Mr. GREEN. Here is the whole statement in the annual report. For instance, we bought eight double-faced steel map cases for \$8,800; we bought card catalogue cases, file cases, and trays, which cost \$7,093.50; steel storage cases for cards, in distribution of card indexes, \$4,932.19. That is one of the items which you probably met when talking with the librarian.

Mr. BINGHAM. As a matter of fact, that is a line of work that the librarian speaks of as profit, but when you come down to it there is not much profit?

Mr. GREEN. This is not paid for out of the money they get, but whatever they get would be a credit against it in the Treasury.

Insurance-map cases, \$498; miscellaneous furniture, including tables, stands, cases, window shades, hardware, etc., \$3,354.07; inclosures and screens, \$4,864.95.

Mr. BINGHAM. Is that for screens?

Mr. GREEN. Inclosures which have to be screened from the dust and which have to be protected from meddling. Some of these things have to be locked up.

Mr. BURLESON. Can you ever reduce the amount of this estimate?

Mr. GREEN. Yes, sir; certainly.

Mr. BURLESON. How far in the future?

Mr. GREEN. It may come pretty soon.

Mr. TAWNEY. For 1907 you estimated for this purpose \$100,000 and you received \$20,000. How did you get along that year? You received \$80,000 less than the estimate, and I was just wondering how you got along.

Mr. GREEN. Last year?

Mr. TAWNEY. No. In 1907 you estimated for \$100,000 and Congress allowed \$20,000 of your estimate. I would like to know how you got along that year. There was no deficiency?

Mr. GREEN. No, sir; we can not have any deficiency. That estimate was toward the construction of a court-book stack.

Mr. BURLESON. Can not we make a reduction in this item of 50 per cent?

Mr. GREEN. No, sir.

Mr. BURLESON. What do you say to a reduction of 25 per cent?

Mr. GREEN. You may reduce it that amount if you want to. We can not tell precisely, as we go along, just what will be necessary or just what is going to be necessary.

Mr. TAWNEY. What is the basis of your estimate of \$40,000?

Mr. GREEN. We will have to spend about \$10,000 more for the map division, and for the card cases some more money, and probably \$10,000 for miscellaneous things in the way of all sorts of furniture. Things come up that you can not foresee. An experience of years shows that about this much money is required for profitably and properly carrying on the library. I made this estimate at a time when I could not tell as definitely as I can now what would be necessary. We are building a new book stack, which will be a help, and I am not so sure that we will need the full \$40,000. I feel that it is not liable to be so necessary. If you want to cut it down 25 per cent I will take the chances.

Mr. LIVINGSTON. You speak of the stack that Congress authorized?

Mr. GREEN. Yes, sir.

Mr. LIVINGSTON. The stack which Congress authorized does not increase the cost to you?

Mr. GREEN. No, sir. You mean the cost of managing the building?

Mr. LIVINGSTON. Caring for the building.

Mr. GREEN. It will to a certain extent when completed, but not very much.

Mr. LIVINGSTON. How much?

Mr. GREEN. We will have to take care of the stack and keep it clean and lighted, but that is not a serious expense.

Mr. LIVINGSTON. Will that amount to \$20,000?

Mr. GREEN. No. I think \$5,000 would come nearer to it.

Mr. BINGHAM. Over \$140,000 will be appropriated for the coming year to maintain that building, if we give the appropriation that you want, in connection with furniture and partitions?

Mr. GREEN. Yes, sir?

Mr. BINGHAM. That is a fabulous amount?

Mr. GREEN. It is a huge amount of detail and mighty hard to explain in a short story, but the work is all done economically and to mighty great advantage.

Mr. BINGHAM. But it is a condition of luxury that is appalling.

Mr. LIVINGSTON. Where can we get an itemized statement of these expenditures?

Mr. GREEN. In my annual report with that of the Librarian of Congress. I can make it in full detail if you so desire. I detailed it in the report as finely as seemed to be necessary.

Mr. LIVINGSTON. Do you elucidate the various items in that report?

Mr. GREEN. Yes, sir.

COMPLETION OF BOOK STACK.

Mr. BINGHAM. As to the completion of the stack, what have you to say?

Mr. GREEN. I ought to have the rest of the money, although I am pretty sure that I am going to get through with a little balance.

Mr. TAWNEY. When will it be completed?

Mr. GREEN. Next summer or fall. The foundations are all laid. It is light steel work that forms the whole interior. This stack is not a house. We simply fill the court up with light steel work and the roof rests on top of it.

Mr. TAWNEY. Is it being constructed under contract?

Mr. GREEN. Yes, sir.

Mr. TAWNEY. What is the contract price?

Mr. GREEN. The contract, including everything, except the electric lights, the heating and ventilating, pneumatic tubes, etc., necessary for sending the messages back and forth, and some little plumbing, etc., amounts to about \$260,000. It depends on the unit price for the shelves. The chances are we are going to get through for \$300,000.

Mr. BINGHAM. Are you then within your original estimate?

Mr. GREEN. Yes, sir.

Mr. BINGHAM. How much?

Mr. GREEN. Twenty thousand dollars.

Mr. TAWNEY. You spoke of a heating and lighting plant. Do you not light with the same lighting plant?

Mr. GREEN. We do; but when we turn the air into this space it requires fans and the washing of the air to keep the dust out of it. The same heating coils are to be used which we have for the present building. The air is to be put through them and taken into the court.

Mr. TAWNEY. If this general heating plant will be in operation within a year and your plant will not be completed before that time,

what is the necessity of putting in a heating plant; why not save the money and utilize the heat that comes from this general heating plant?

Mr. GREEN. We will do that, so far as the heat is concerned. This is simply the apparatus.

Mr. BURLISON. It is the conduit to carry the heat in?

Mr. GREEN. Yes, sir.

Mr. TAWNEY. Then you do not want any fans?

Mr. GREEN. We need the fans to carry the air through the stack. One of the economies of having the stack built in the yard is that by roofing it over it is surrounded by a warm building and requires very little heat.

Mr. TAWNEY. You do not need any heating plant for this stack?

Mr. GREEN. No, sir; no boilers or steam piping or anything of that sort. We will use the same coils in the walls of an adjoining wing of the building and turn a part of the heat into the stack by means of the fans. Then ventilating in hot weather must be provided. That can be done by the plant we have. The electric lighting required is the wires, etc., and when we come to light the stack it will take a little more current and a little more of the present boiler power.

Mr. TAWNEY. At what time do you think it will be completed; by the early part of the coming fall, 1909?

Mr. GREEN. Yes, sir.

Mr. BINGHAM. What is the length, height, and width of the building?

Mr. GREEN. The length is 150 feet, the width 74 feet, and the height is the whole height of the main building, about 80 feet.

Mr. BINGHAM. Since you have no interior equipment, is not the figure rather expensive?

Mr. GREEN. No, sir.

Mr. BINGHAM. It is simply the walls to support it, and then the equipment of the interior?

Mr. GREEN. The interior is mostly of light iron and steel work.

Mr. BINGHAM. Is that expensive?

Mr. GREEN. Not expensive per unit, but there are so many thousands of the shelves alone. It is like a beehive—not so big, but it has thousands of cells.

Mr. BINGHAM. Is that work expensive?

Mr. GREEN. Not expensive per unit. It is ordinary light steel and the casings are ordinary work, in very light structure. It is a splendid and beautifully simple structure.

Mr. BINGHAM. When you have completed the stack at a cost of \$300,000 will you need furniture, including partitions, etc., or will it be completed?

Mr. GREEN. It will be completed.

Mr. BINGHAM. And then next year will you ask for additional shelving?

Mr. GREEN. No, sir. The future expenses of the stack outfit will be trifling.

TREASURY DEPARTMENT.

STATEMENT OF MR. LOUIS A. COOLIDGE, ASSISTANT SECRETARY,
ACCOMPANIED BY MR. CHARLES P. MONTGOMERY, OF THE DI-
VISION OF CUSTOMS.

OFFICE OF THE SECRETARY.

Mr. BINGHAM. Give us your reasons for the increases you have asked for.

Mr. COOLIDGE. The Secretary asks for an increase of one clerk at \$1,800. That clerk is now carried on the roll of the Office of the Auditor for the War Department. We are using him at the head of the transportation rate board, and he has been detailed from the Office of the Auditor for the War Department for nearly two years. The Auditor for the War Department is very anxious to have that place, and it is really important that we should have the head of the transportation rate board directly in the Secretary's office.

Mr. BINGHAM. Has the change in the bookkeeping that the Treasury Department inaugurated last year made this necessary?

Mr. COOLIDGE. No; it has nothing to do with it. We have assembled all the accounting connected with freight and passenger transportation. The auditor will need another man of this same grade.

Mr. BURLESON. Who has been discharging those duties during the past two years?

Mr. COOLIDGE. I do not know. The auditor has been complaining ever since I have been in the department that he needs this man, and we hold him by main strength.

Mr. TAWNEY. This means 2 clerks of class 4; that is, clerks at \$1,800 each.

Mr. GILLET. He asked for 24 clerks of class 4, and he has been using only 23.

Mr. COOLIDGE. That is simply a transfer.

Mr. TAWNEY. He wants the same number that he had. That will enable him to appoint one additional clerk.

Mr. BINGHAM. You ask for one clerk at \$900 additional?

Mr. COOLIDGE. He was asked for by the Secretary.

CHIEF CLERK'S OFFICE.

Mr. BINGHAM. Why do you change the name to principal clerk?

Mr. LIVINGSTON. That is down below the center, there.

Mr. BURLESON. That is starting a new class of clerks.

Mr. COOLIDGE. That is simply a change of designation. He is not a bookkeeper.

Mr. BURLESON. Are there any other principal clerks?

Mr. LIVINGSTON. That is under the new report made by the Keep Commission.

Mr. TAWNEY. They wanted an increase, doubtless, on account of the extraordinary capacity of the man, and made him a bookkeeper instead of calling him a clerk. That is about the way it was done.

Mr. BURLESON. That is starting a new class of clerks—principal clerks—and soon there will be principal clerks in every department and bureau of the Government.

Mr. BINGHAM. It is a contagion that can not be resisted. You ask for six messengers in lieu of five.

Mr. COOLIDGE. These are all increases in messengers and watchmen necessitated by the distribution of the buildings.

Mr. BINGHAM. Is there any reason why you can not go on just as you have been going on under this current law?

Mr. COOLIDGE. It will be very inconvenient. For instance, we have the Small Building on the corner of Fourteenth and G streets, and we have the Union Building, below the Interior Department, and we have—

Mr. BURLESON. The service was estimated last year for the taking over of these buildings, and it was all considered at that time.

Mr. COOLIDGE. We have two new floors in the Union Building where we are going to put the Auditor for the Interior Department—probably this month.

Mr. GILLETT. And the additional watchmen, I suppose, are for the same reason?

Mr. COOLIDGE. Yes, sir.

Mr. BINGHAM. You mean the item of increase is from 64 to 68 watchmen, an increase of 4. Then you ask for 6 watchmen transferred.

Mr. COOLIDGE. They have been on the rolls of the Auditor for the Post-Office Department, but have been used by the chief clerk.

Mr. GILLETT. Does the Post-Office Department drop them, do you suppose?

Mr. COOLIDGE. The Auditor for the Post-Office Department drops them. That makes no change in the appropriation.

DIVISION OF CUSTOMS.

Mr. BINGHAM. Now, on page 72, under the division of customs, you ask for 7 law clerks instead of 5.

Mr. COOLIDGE. That is an increase in the number of law clerks in the division of customs, and that, I think, is greatly needed.

Mr. BINGHAM. What has occurred to justify the increase from 5 to 7?

Mr. COOLIDGE. The increase in the customs business. Mr. Montgomery is here, the chief of the customs division, and he can go into details on that.

Mr. BINGHAM. I thought we were doing less in customs nowadays than formerly.

Mr. COOLIDGE. We shall do a great deal more next year if we have a revision of the tariff.

Mr. TAWNEY. Here is Mr. Montgomery. He will tell us about that.

Mr. BINGHAM. What is needed there especially?

Mr. MONTGOMERY. I had better preface what I have got to say by reading this memorandum which we prepared two years ago. Since this memorandum was written the work has probably increased 15 per cent.

For example, take these hearings before the Ways and Means Committee. Many of the people who come here to testify before the Ways and Means Committee come to us for advice. The work is increasing every day.

Mr. TAWNEY. Is it work principally under the administrative act or under the revenue act?

Mr. MONTGOMERY. The Secretary of the Treasury, under the statutes, has general superintendence of the collection of the revenue.

Mr. TAWNEY. I know, but as to these law clerks, does their work come principally under the administrative act?

Mr. MONTGOMERY. Any question that comes up. I said to Mr. Coolidge this morning that I thought 90 per cent of the administrative work connected with customs is performed in our office. I am now convinced that it is 100 per cent. [Reads:]

Administrative control of the customs service is vested by law in the Secretary of the Treasury, and this control he exercises almost wholly through that division of his office known as the division of customs. The work of this division is, therefore, practically coextensive with the authority of the Secretary. The province of the division is so wide and its duties so multifarious and varied that only the following more important features of its work can be shown in any brief review.

The division is charged with the preparation and promulgation of the orders and decisions of the Secretary of the Treasury affecting the collection of the revenue from customs. It has general supervision of the work of the offices of collectors of customs, appraisers, surveyors, etc. It has especially to watch carefully the action of the appraisers in making appraisements, and to follow up the appraisements to the Board of United States General Appraisers, to see that customs questions are properly presented, etc., to the board, and to secure, by such methods as it can properly employ, uniformity of classification of merchandise by the courts.

July 1, 1905, there were pending and awaiting the action of the Board of United States General Appraisers 77,198 protests, involving questions arising under the customs laws. The question of acquiescence in or appeals from the decisions of the board under these protests comes before the division of customs and involves the consideration of the thousands of decisions of the board and a vast amount of testimony taken. During the fiscal year 1905 there were 598 applications filed with the courts for review of the decisions of this board. The course of all these cases through the courts has to be watched by the customs division. District attorneys are sometimes inefficient, and often unfamiliar with the proper conduct of customs cases. Their deficiencies have to be supplied, so far as possible, by the division of customs, without whose efforts many of the cases—many involving important principles and large sums—would be lost by the Government. This supervision of legal work falls upon a very small force, which is already crowded by a multiplicity of other questions and details connected with customs administration.

From the foregoing it will be apparent that the work of the division of customs has greatly increased in recent years. The actual fact, taking the letterpress books as probably the most accurate guide, is that the general work of the division of customs has increased about 68½ per cent since 1901. The appropriation for doing the work has, however, increased but 27½ per cent.

Mr. TAWNEY. Do you also look after the drawback provision?

Mr. MONTGOMERY. Yes, sir; every branch of the customs work—reappraisements, appeals in classification cases, drawback, transportation of appraised and unappraised merchandise; drawing regulations for baggage, foreign mails; and, as I have said, we cover about every administrative feature.

Mr. BINGHAM. That is what these law clerks are for?

Mr. MONTGOMERY. Yes, sir.

Mr. BINGHAM. You say you have a great many investigations going on and that your office is filled with people who go before the Ways and Means Committee at the hearings now in progress. Is not your strongest argument the fact that we propose to enact a new tariff bill and that in the future you will need these people more than you do at present?

Mr. MONTGOMERY. I have not reached that. Next summer we will probably be swamped when a new tariff will probably become effective.

Mr. BINGHAM. That is the best argument.

Mr. MONTGOMERY. The customs division is in charge of the whole administration of the customs service.

INQUIRY AS TO SURETY AND BONDING COMPANIES.

Mr. COOLIDGE. Last year the Secretary recommended in his report that a separate division be organized for sureties and bonds. That is getting to be a very important division of the work in the Treasury Department now. The request was not granted by Congress.

Mr. BINGHAM. This is the same request?

Mr. COOLIDGE. No, sir; I mentioned it simply to show the increase and importance of this work. It is important that the chief of the appointment division should be in a position to examine into the condition of the various surety companies, the bonds of which now come through his office. He has to travel, and there are some things that he can not do without more or less travel.

Mr. BINGHAM. In other words, all subordinates of the Treasury Department are under some character of bond?

Mr. COOLIDGE. The bonds of all bonded departmental officers of all departments are held in the appointment division of the Treasury.

Mr. BINGHAM. And this is to ascertain the standing of the bonding companies?

Mr. COOLIDGE. Yes, sir.

Mr. LIVINGSTON. Have you had many failures? What is the necessity for it?

Mr. TAWNEY. How many bonding companies do you use?

Mr. COOLIDGE. I can not tell you the exact number.

Mr. BURLESON. What dealings has the Federal Government with these bonding and surety companies, Mr. Coolidge?

Mr. COOLIDGE. We come in contact with them through the bonding of employees and of contractors.

Mr. BURLESON. That is done by one concern?

Mr. COOLIDGE. No; by various companies.

Mr. TAWNEY. When they tender the bond to the Government the Government must ascertain whether the bond is good. My thought was that the standing and reputation of many of the bonding companies were sufficiently well established that the department could determine very soon, and that they could be limited in the bonds that would be given.

Mr. LIVINGSTON. That is shown to be true, Mr. Chairman, from the fact that the outside world employs them.

Mr. TAWNEY. Of course, there are a whole lot of fake bonding companies, and if an employee came to the chief of the appointment division of the Treasury Department tendering a bond from a firm whose standing was not established and recognized, he would have authority to reject it and require the bond from some established company?

Mr. COOLIDGE. Yes.

Mr. GILLET. They all charge about the same, do they not?

Mr. COOLIDGE. I think so.

Mr. BINGHAM. Have you met with any embarrassment in the bonding of employees?

Mr. COOLIDGE. Not that I know of, General.

DIVISION OF PUBLIC MONEYS.

Mr. BURLESON. In the division of public moneys you ask for an increase of one clerk of class 2.

Mr. COOLIDGE. We ask for one more clerk, and that is needed.

Mr. BINGHAM. Is there any special reason for that?

Mr. COOLIDGE. The work of the public moneys division is constantly increasing. We have over 1,400 depositories now where we had less than 200 ten years ago. Under the recommendation of the Keep Commission we assemble now all the checks of disbursing officers in the Treasury.

Mr. BINGHAM. That is under the new system of bookkeeping?

Mr. COOLIDGE. Yes, sir; and it makes considerable additional work.

Mr. GILLET. We made some allowances for that last year, I think.

Mr. BINGHAM. We met their requirements last year?

Mr. COOLIDGE. Yes, sir; but Mr. Daskam, the chief of the division, finds that the clerks asked for last year were not sufficient. He is obliged to call in additional help whenever there is a rush of work.

Mr. BINGHAM. Is the new system of bookkeeping acceptable?

Mr. COOLIDGE. So far as I know; yes, sir.

Mr. BURLESON. It seems to be quite expensive, is it not, Mr. Coolidge?

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY, DIVISION OF PUBLIC MONEYS,
Washington, December 1, 1908.

Hon. LOUIS A. COOLIDGE,
Assistant Secretary of the Treasury.

SIR: In compliance with your request, I have the honor to state that an additional clerk of class 2 was deemed necessary on account of the additional work assigned to this division under the new system for assembling of disbursing officers' checks provided for in Circular No. 52, dated July 29, 1907, copy inclosed. Also, on account of the increased work of the division in connection with general receipts into the Treasury deposited with the sub-treasury offices and national-bank depositories. The number of national-bank depositories has increased from 194 in 1898 to 1,400 in 1908, and there has been a gradual increase in the work in many respects resulting from the growth of the country.

I only asked for two additional clerks last year, thinking that they would be sufficient, but after a year's trial find it necessary in order to keep the current work up to date to have another. I have been obliged to ask for additional help during the past year whenever there has been a rush of work.

Respectfully,

E. B. DASKAM,
Chief Division of Public Moneys.

DIVISION OF LOANS AND CURRENCY.

Mr. COOLIDGE. Yes.

In the next item the changes suggested are due almost entirely to the emergency currency law. The time is coming when it will probably be advantageous to put the clerical force we have engaged in that work in the regular appropriation instead of keeping them on the emergency currency appropriation.

Mr. BINGHAM. And you assume that that line of work will continue?

Mr. COOLIDGE. Yes, sir.

Mr. BURLESON. You have done nothing under that currency law?

Mr. COOLIDGE. We have not been called on for the new currency to meet an emergency, but we have been working ever since the law was passed in printing the currency. We have printed and stored in our vaults over \$300,000,000 of the \$500,000,000 authorized.

Mr. BURLESON. Has there been a single association formed in the United States under that act?

Mr. COOLIDGE. Yes, sir; several associations have been formed.

Mr. BURLESON. Where have they been formed?

Mr. COOLIDGE. We have got one here in Washington. It is complete. They organized one in New York, framed by-laws, and asked our approval, which was not given on account of a provision for the withdrawal of banks from the association. There was a question about the legality of this provision.

Mr. BURLESON. Then there have been but two formed?

Mr. COOLIDGE. Eight or ten have been formed.

Mr. LIVINGSTON. How many of these are promotions on page 74?

Mr. COOLIDGE. There are no promotions there.

Mr. BURLESON. It is all increase of force?

Mr. COOLIDGE. Yes, sir. All these people are being used now under the emergency currency law. We want to pay them from the regular appropriation.

Mr. BURLESON. What are you paying them from now?

Mr. COOLIDGE. From the emergency currency appropriation. The law contained an appropriation for carrying it into effect, and we are now using that.

Mr. GILLET. What is the difference between a paper counter and a money counter?

Mr. COOLIDGE. The paper counter counts the sheets as they come from the paper factory.

Mr. BINGHAM. Are there any of these increases on page 74 that you feel we would be warranted in decreasing—these increases from 15 to 20 expert counters?

Mr. COOLIDGE. They will all be needed. If you do not appropriate for them we shall have to detail them from the Bureau of Engraving and Printing.

Mr. BINGHAM. Don't you do that now?

Mr. COOLIDGE. We can do that, but I think it is better to ask for them from Congress.

Mr. BINGHAM. I suppose you make details in case of necessity, and you are in nowise limited, are you?

Mr. COOLIDGE. No, sir.

Mr. BINGHAM. Does the Bureau of Engraving and Printing complain?

Mr. COOLIDGE. They do, because we are very apt to take their best people.

Mr. GILLET. I see you have the new title again, "principal clerk," \$2,000, in the Revenue-Cutter Service, at the bottom of page 74. That is new.

Mr. COOLIDGE. The chief of the Revenue-Cutter Service will be here and explain that.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, December 1, 1908.

Hon. L. A. COOLIDGE,
Assistant Secretary of the Treasury,
Washington, D. C.

SIR: Referring to the estimates submitted for the clerical force of this division, I have the honor to account as follows for the increase of force provided for in said estimates:

An increase of one of class 3, two of class 2, and one of class 1 are designed to provide for the additional work devolving upon this division by the act of May 30, 1908, known as the "currency act." The number of clerks appointed temporarily to carry on this work, with salaries payable from the appropriation provided therefor, is six. It is thought that after the preliminary work is completed four clerks will be all that will be required to continue it.

The increase of five expert money counters and seven paper counters is due to the natural increase of the work of the department in connection with distinctive paper and the redemption of paper money.

The apparent increase of one laborer, at \$660, is due to the fact that it is desired to drop the laborer's place at \$550. All of the laborers of this division are classified. They are therefore furnished by the Civil Service Commission. Whenever a new laborer is desired it is customary to give him this \$550 position, and it has been troublesome heretofore to find classified laborers who would be willing to accept that salary. The fact that these men are all classified, that the work is laborious, and that there is responsibility attached thereto seems to justify the elimination of his \$550 place and the substitution of the one at \$660 therefor.

Respectfully,

A. T. HUNTINGTON,
Chief of Division of Loans and Currency.

DIVISION OF SPECIAL AGENTS.

Mr. BINGHAM. Have you the division of special agents?

Mr. COOLIDGE. Yes, sir. That comes under the secretary's office, and those two people are needed for reasons similar to those which Mr. Montgomery gave with regard to the work of the customs service.

Mr. BINGHAM. They come in touch with the increase of the customs service and with the law?

Mr. COOLIDGE. Yes, sir.

Mr. BURLESON. It is only temporary, is it not, Mr. Coolidge? As soon as this law is well in operation the service of these people can be dispensed with?

Mr. COOLIDGE. No, sir. I have never known the government business to decrease.

Mr. LIVINGSTON. And I never knew a man dropped who got on the roll. [Laughter.]

Mr. TAWNEY. Unless he dropped dead. [Laughter.]

Mr. COOLIDGE. I think there is not the slightest question but that they will need these people.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, December 2, 1908.

Hon. L. A. COOLIDGE,
Assistant Secretary of the Treasury.

SIR: In submitting the estimates for the ensuing fiscal year request was made for an additional clerk of class 2 and an additional clerk of class 1 for service in the division of special agents.

As to the first, the increase and character of the work to which the clerk, if provided for, will be assigned require the services of a man of experience and ability, and the suggested compensation is not excessive. With reference to

the clerkship of class 1, I have to state that a clerk of that grade has for some time past been detailed to this division from the office of the Auditor for the Post-Office Department, who requests his return, and it is necessary to have said clerk upon the rolls of the division of special agents.

Respectfully,

GEO. W. MAHER,
Supervising Special Agent.

OFFICES OF DISBURSING CLERKS.

Mr. BINGHAM. On page 77 there are some new items as to disbursing clerks.

Mr. COOLIDGE. We have two disbursing clerks in the department, and when either of them is away nobody is qualified to act in his place.

Mr. BINGHAM. Would they both be away at the same time?

Mr. COOLIDGE. They might be.

Mr. GILLETT. How would they both be away?

Mr. COOLIDGE. They have practically independent duties.

Mr. GILLETT. Have they duties outside the building?

Mr. COOLIDGE. Mr. Richards, the disbursing clerk downstairs, attends principally to employees in the service outside of Washington. Mr. Townsend, the disbursing clerk upstairs, attends to the majority of employees in Washington, outside the Bureau of Engraving. But the great bulk of the work in each office is in the payment of vouchers for the miscellaneous expenses of the department.

Mr. TAWNEY. You have two disbursing clerks now in two separate offices?

Mr. COOLIDGE. Yes, sir. Mr. Richards could not take Mr. Townsend's place, and Mr. Townsend could not take Mr. Richards's place.

Mr. GILLETT. Is one a check on the other, or are they in entirely different provinces?

Mr. COOLIDGE. They are in entirely different provinces. The Treasury Department has over 7,000 people here in Washington, and they can not get along with one disbursing clerk. They have carried on this organization for many years.

Mr. TAWNEY. Does this mean two additional employees or two promotions?

Mr. COOLIDGE. One of the disbursing clerks—Mr. Richards, for instance—disburses the salaries of employees in the custodians' and janitors' service in the Government buildings all over the United States. They are absolutely independent.

Mr. LIVINGSTON. These men have assistants now, and they are not bonded men now?

Mr. COOLIDGE. They are not bonded men, and that is the reason this increase in salary is suggested—to enable them to buy their bonds. Unless they are bonded they can not act as disbursing officers.

Mr. GILLETT. There is an increase in force, too?

Mr. BINGHAM. Two clerks of class 4—are not those two clerks now of class 4 doing the exact work that you propose to have two assistants of the disbursing clerks perform?

Mr. COOLIDGE. No, sir.

Mr. BINGHAM. Who does the work now?

Mr. COOLIDGE. It is divided in the office.

Mr. TAWNEY. In the absence of the one or the other?

Mr. COOLIDGE. They are practically tied up there all the time.

Mr. BURLESON. Why that abnormal increase of force there, Mr. Coolidge?

Mr. BINGHAM. I should assume it is a promotion of two clerks of class 4.

Mr. BURLESON. No; it is an increase of force.

Mr. GILLET. It is not a promotion; it is an increase of force.

Mr. TAWNEY. How long have these two disbursing clerks been in there?

Mr. COOLIDGE. Mr. Townsend has been in only a short time. He was appointed about two months ago. Mr. Richards has been there two and one-half years.

Mr. BURLESON. Can you give the reasons why there is a necessity for this increase of force?

Mr. COOLIDGE. I simply know that both disbursing clerks are overworked with their present force.

Mr. BURLESON. Are they behind?

Mr. COOLIDGE. They can not be behind.

Mr. BINGHAM. They can not be behind?

Mr. COOLIDGE. No, sir. They must keep their work up to date.

Mr. BURLESON. Do they frequently work overtime.

Mr. COOLIDGE. Yes, sir.

Mr. GILLET. I see there is an increase of three clerks in that small force.

Mr. BINGHAM. You are only asking for an increase of two disbursing clerks, at \$2,000, and the remainder of the office is the same?

Mr. GILLET. They promote two clerks of class 1 up to class 3, an increase of two of class 3.

Mr. BURLESON. That is an increase of three in the office.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, December 1, 1908.

Hon. L. A. COOLIDGE,
Assistant Secretary of the Treasury.

SIR: As an additional explanation of the estimates submitted by me for an increase in the clerical force in my office for the fiscal year ending June 30, 1910, I have the honor to state—

It seems to me that every bureau, and especially one of the importance of a disbursing office, should have an assistant authorized to act in the place of and during the absence of the chief. I feel that such a person is very much needed in my office, and, I might say, is absolutely necessary to the general operation of the same. In case of my absence on account of illness, or for other reasons, it would place both the Government and myself in a very embarrassing position not to have some one of trust authorized to conduct the affairs of the office.

I have not been able to get away for any leave of absence during the past year, and for several years have had no rest of any consequence; and the same was true of my predecessor, for the reason that there was no one authorized to sign checks or disburse money during the absence of the disbursing clerk.

Prior to October, 1907, when my predecessor, Mr. L. H. Mattingly, was appointed disbursing clerk, a large part of the work of the office was delegated to the different bureaus of the department. There was no correspondence done in the office. Vouchers were received and paid without examination or audit. The disbursing clerk is personally responsible for every payment, and, notwithstanding the approval of the Secretary of the Treasury, his accounts are liable to be, and have been, suspended or disallowed by the auditor or the comptroller.

It seems to me to be only just that he should have a trained clerk to attend to the correspondence and audit the vouchers before payment. I have asked for a clerk of class 2 in lieu of two clerks of class 1 to write checks. One clerk,

with occasional assistance, could write all of my checks, but in order to get a capable clerk for that work I ought to be able to pay him \$1,400 per annum.

This office has never had a messenger, and the different clerks in the office have been obliged to do messenger work when their time would be of more value in attending to their regular duties.

We have as part of the duties of this office the payment of about 1,500 employees on thirteen different pay rolls, the aggregate amount of which is \$150,000 per month. The preparation of the rolls for payment and distribution of this money among the clerks requires the utmost care in order to avoid mistakes, and the employment of efficient clerks to do the work, the greater part of which was done prior to October, 1907, by clerks in other bureaus.

On account of the insufficiency of the force in my office the clerks during the past year have been obliged to work very hard, and many times have had to stay until 7 o'clock, and sometimes until very late in the evening. The average time has been about 6 p. m., and never have we been able to leave at 4.30 p. m.

An additional reason for the appointment of an assistant disbursing clerk is the fact that the offices of the two disbursing clerks are as separate and distinct from each other as any two bureaus in the department, and each disbursing clerk requires an increase in his force to properly dispose of the work now in his office.

Each disbursing clerk has funds on account of different appropriations placed in his hands to disburse, and to divert the money on account of one appropriation for payment of vouchers on account of another appropriation would be in violation of law. For one disbursing clerk to pay for another during his absence would necessitate the temporary placing in his hands of funds on account of at least 60 different appropriations, vouchers on account of any of which he might be called upon to pay at any time, and involving a great increase of work in the division of bookkeeping and warrants and Auditor for the Treasury Department, notwithstanding the fact that the absence of the disbursing clerk might be for only a short period. The assistant disbursing clerk should be bonded and authorized to sign checks in the name of the disbursing clerk.

Respectfully,

J. W. TOWNSEND,
Disbursing Clerk.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, December 2, 1908.

Hon. L. A. COOLIDGE,
Assistant Secretary of the Treasury.
Treasury Department.

SIR: Referring to the estimates submitted for increase in the force of this office, I desire to submit for your consideration the following reasons:

The force now appropriated for the fiscal year 1909 is insufficient to perform the work in this office in as careful, painstaking, and prompt manner as it should be done. At various times payments of vouchers and pay rolls have been delayed beyond the time they should have been forwarded and work rushed faster than work of its character should be. Many times I have been compelled to ask clerks to work overtime, as well as doing so myself.

The reasons for asking for an assistant disbursing clerk are many, among which are the following: It is the intention, in the event an assistant is appropriated for, to place him under bond to act in the absence of a disbursing clerk. It is the only office in the Treasury Department that has no provision for an assistant to act for the head thereof during his absence when ill or on annual leave. As it is, a disbursing clerk is compelled to be present in his office every business day in the year and every hour of the day, or business stops so far as payments of his office are concerned.

It is unlawful for one disbursing clerk to pay for another for the reason he can only pay an appropriation for which he has money to his credit. In this connection your attention is invited to the comptroller's decision, volume 14, page 331, as follows: "Disbursing officers are not authorized to anticipate the receipt of funds on outstanding requisitions by making payments from other funds in hand that belong to a different appropriation, because funds of one appropriation are never available to pay obligations of another unless so provided by law." The offices of the two disbursing clerks of the Treasury Depart-

ment are as separate and distinct as are any other offices or bureaus in this department. One can not pay the vouchers of the other except funds of the appropriation for which he is making payment are placed to his credit. And for the further reason that the disbursing clerks may have the leave which is now allowed them by statute, which leave I have not been able to avail myself of for the past three years.

A disbursing clerk in this department is always subject to be ordered out of the city to make payments of salaries in the case of a vacancy caused by death or other reason of bonded officers (which has occurred several times during the recent past), during which time the payments in this office cease until my return, and in case of my sickness the same condition would prevail. The highest class clerk now appropriated for in this office is class 4 (\$1,800), and to ask him to give a bond would be equivalent to a reduction in salary equal to the amount he would be required to pay for such bond, which, when taking into consideration the advanced cost of living, would be an injustice to him, to say nothing of his increased responsibilities.

The reason for asking for an additional clerk of class 3 (\$1,600) is on account of the increase of work. During the past two and one-half years the number of appropriations to be paid has increased 50 per cent and the amount disbursed has increased in a like proportion, while during the same period the appropriation for this office has been increased as follows: One clerk of class 3, who was dropped from the roll of the Public Health and Marine-Hospital Service; one clerk, at \$900, and one laborer, at \$660.

To sum up the whole I would state that the conditions existing in this office are that when the whole force is present it requires a steady application on the part of each individual to keep the work reasonably up to date, but in the event of the absence of even one clerk, by reason of sickness or on account of annual leave, this office is placed at a disadvantage, and it is impossible to keep the work in the condition it should be.

Respectfully,

W. S. RICHARDS,
Disbursing Clerk.

Mr. COOLIDGE. I should like to give to the committee written statements in regard to these questions of increase in connection with the Secretary's office.

DIVISION OF APPOINTMENTS.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, December 1, 1908.

Hon. L. A. COOLIDGE,

Assistant Secretary of the Treasury, Washington, D. C.

SIR: The function performed by the Secretary of the Treasury as fiscal agent of the Government in supervising the collection and advancement of public funds, and the auditing and settling of accounts of public officials, according to law, has brought under his immediate supervision practically all of the bonding business of the Government. The law requires all contracts under the various executive departments to be filed in the Treasury Department and a similar provision is made relative to the official bonds of several departments. All bonds and contracts are therefore certified in the office of the Secretary of the Treasury as to their execution and the authority of the officers executing them on behalf of the surety companies before the accounting officers are authorized to make advances of public moneys thereunder.

A recapitulation shows that, including customs, internal revenue, and contract bonds, there were required by the Government during the past fiscal year 500,000 bonds with penalties aggregating \$4,000,000,000. Approximately one-fourth of this amount was written by corporate surety companies.

Prior to February 1, 1907, there was no limit upon the amount which a surety company might be accepted for on any one of such bonds, and in the absence of such limitation it has happened that subordinate approving officers have accepted single bonds the penalties of which greatly exceeded the total assets of the surety company which qualified thereon as sole surety.

On February 1, 1907, the Secretary of the Treasury issued an order limiting the amount for which any surety company might be accepted on any one bond to 10 per cent of its capital and surplus. This limitation followed the pro-

visions of the laws of New York, Massachusetts, and other States. The regulation has been twice revised to perfect details, and in pursuance of the President's order a uniform regulation was agreed upon by all the executive departments on June 2, 1908, and is now in full operation. At first there was some opposition from the surety companies to the imposition of the limitation, but it is now accepted by them without complaint, and several companies have frankly admitted that by being required to reinsure their liability on large depository bonds they were saved from insolvency during the recent monetary crisis.

The uniform regulation adopted by the executive departments also delegated to the Secretary of the Treasury the duty of making such inquiry as might be found necessary into the financial condition of the surety companies, and to advise the other departments, from time to time, as to their qualifying power under the joint regulation, thus saving both the surety companies and the other executive departments considerable labor in the submission and examination of detailed quarterly statements, and at the same time providing a most effectual check upon their sufficiency and acceptability as sureties on federal bonds.

Detailed quarterly and annual statements of the financial condition and business methods of the various companies are furnished on the forms provided by the department, and are verified as far as is possible through correspondence and by personal conference with the principal officials of the various companies at the department where necessary. To more effectually verify these reports an examination of the companies in some cases has been found necessary, as an effective check upon their sufficiency and acceptability, especially in view of the fact that within the past few years three companies have failed. And the business has been in a very precarious condition during the recent financial depression.

The reports submitted by the companies to the Treasury Department for the past year show that out of 18 companies engaged actively in fidelity and surety business 15 paid dividends during the year. Of these only 4 earned during the year the full dividend paid. Eleven earned during the year no part of the dividends paid, and 3 paid no dividends. Fifteen of these 18 companies suffered reductions of surplus. This was not principally due, as might be supposed, to depreciation in the value of securities, but to increased losses, the increase in some cases being as much as 200 per cent more than the losses of the previous year. When it is noted that the income upon investments has, in many cases, been more than sufficient alone to meet the full amount of dividend payments, the business presents a still less encouraging aspect.

These generally unsatisfactory conditions emphasize the necessity of the Government taking additional precautionary measures to guard against the contingency of being left without protection on an hundred millions or so of bonds, in the event that the surety company guaranteeing them should fail, not to mention the considerable loss which the salaried principals on said bonds would suffer by loss of the premiums which they had paid.

These are some of the reasons which have induced the Secretary of the Treasury to request a small appropriation for traveling and other expenses necessary to enable him to more effectually carry on the work of supervising the conditions of the bonding companies in connection with their approval or rejection, in his discretion under the law, as sole sureties on federal bonds, and as the basis for the advancing of public funds, through the accounting officers of the Treasury Department, to the public officials upon whose bonds these companies qualify.

The business of corporate suretyship is very young, and conditions clearly show that adequate supervisory methods have not yet been devised either by the Government or the States. The state insurance commissioners within the past few months appointed their first committee to inquire into surety problems.

The Government is the largest user of this class of insurance corporations, and there is at present an urgent necessity for the diligent exercise of such supervisory measures as are available until proper regulative legislation is enacted by Congress.

Respectfully,

CHAS. LYMAN,
Chief Division of Appointments.

OFFICE OF THE AUDITOR FOR THE TREASURY DEPARTMENT.

STATEMENT OF MR. W. E. ANDREWS, AUDITOR.

Mr. BINGHAM. The new system of bookkeeping, I suppose, is the principal reason for your asking for increases?

Mr. ANDREWS. Yes, sir; substantially the same reasons that I gave a year ago.

Mr. BINGHAM. You ask for 33 clerks of class 1 instead of 31 clerks of class 1. Did we give you all the clerks you asked for last year?

Mr. ANDREWS. No, sir. I asked for 3 clerks, 1 at \$1,800 and 2 at \$1,200 each. You gave me 1 at \$1,200. Now I am asking for the other 2 at \$1,200 each.

Mr. BINGHAM. For substantially the reasons submitted then?

Mr. ANDREWS. Yes, sir.

Mr. BINGHAM. How have you been getting along this year?

Mr. ANDREWS. I have been getting along, and I will get along whether you give me these two additional clerks or not.

Mr. TAWNEY. In conversation with one of the auditors of the Treasury Department I asked him about this system, and he informed me that he had found no difficulty in conforming to the present system of bookkeeping without any additional force.

Mr. ANDREWS. It is not a question of bookkeeping.

Mr. TAWNEY. And he went further and explained the attaching of the check to the voucher.

Mr. ANDREWS. That can not be done. You can not handle the volume of business I have to do. I do not know how much he has to do. I can not answer until I know how many of these checks he gets. Now, in my work I am obliged to handle from 50,000 to 60,000 checks of disbursing officers every month and match them to their appropriate vouchers. That requires the handling of all those checks and the matching of all those checks to the vouchers, in addition to the work of carrying on the examination of the vouchers when you had the receipt on the voucher. Now, you have to get all the checks from the different depositories of the country, the subtreasuries.

Mr. GILLET. There is no trouble about that; they send them in?

Mr. ANDREWS. Yes, sir; but we have to match them.

Mr. TAWNEY. How does the number of checks you have to match compare with the number in the Sixth Auditor's Office, the Auditor for the Post-Office Department?

Mr. ANDREWS. I would have to go through his work and make an examination of the number of disbursing officers' checks that he handles and the application of these regulations to his service.

Mr. TAWNEY. How would it be with the Auditor for the War Department; he has a great many checks?

Mr. ANDREWS. Yes, sir; he would have quite a number. As a matter of fact, no increase has been given me for this work.

Mr. BURLESON. We gave you an additional clerk at \$1,200.

Mr. ANDREWS. Yes, sir; but there has been a great increase in the work of the customs service, more than one clerk could handle.

Mr. GILLETT. If that work does not require more clerks by one auditor should it by another?

Mr. ANDREWS. It does. You can not do the work properly unless you have more clerks; there is no question about that. I simply say that the work can not be done in my office. Let the other auditor answer for himself.

Mr. GILLETT. You have the same system in both offices?

Mr. ANDREWS. That is true. I know that it can not be done. It can be done if they slide the work through and pay no attention to it, but it can not be done if they do it right.

Mr. TAWNEY. Were you requested during the summer by some departmental board to make a classification of the employees in your department?

Mr. ANDREWS. I have that letter and have practically made the classification, and had reported before the letter came to me, and the matter will be completed and the reply handed in as soon as I complete a matter of reduction which is now pending. I was told when the letter came that if they got the report in time to transmit it to Congress when it assembled that that would be in ample time.

Mr. TAWNEY. Was it not the intention to make the changes without reference to congressional action?

Mr. ANDREWS. Not that I know of.

Mr. TAWNEY. Did not some of the bureau chiefs make their classifications with their recommendations for reductions in compensations, increases, etc., so as to meet the classification already filed with the proper officials or this departmental board?

Mr. ANDREWS. A year ago last October I filed with the Secretary of the Treasury, in response to his official call, a classification according to the schedule made up by that board.

Mr. BINGHAM. What was that board called?

Mr. ANDREWS. It was the committee to investigate the matter of classification and to make recommendations to the Keep Commission.

Mr. TAWNEY. Did not this board during the summer, on the order of the President or some other responsible authority—I think it was on the order of the President, although I would not be certain—make up a classification with reference to the character of the work performed, fixing the compensation under existing law and then providing for the demotion of those not performing service by reason of physical disability or other causes?

Mr. ANDREWS. I received no communication like that. I received no request from anybody to do anything of that kind. The only thing I was to do was to review my roll with respect to the matter of the greatest service and the proper compensation for the clerks as they now stand. I submitted a report in harmony with the report formerly submitted, the report I submitted last October. There was nothing out of harmony with the report called for a year ago, nothing of that kind. It was merely an emphasis by the department of the desirability of keeping matters as nearly to a proper business condition as possible, and my reply had been so nearly adjusted to that that there was practically very little to do. There were one or two cases in which I was awaiting some developments. I understood that a man was going to die, and he did die, and that saved the trouble.

The report is practically as I recommended it then and would recommend it now.

Mr. LIVINGSTON. You do not know of any action of that kind being put in force?

Mr. ANDREWS. No, sir. In order to do the work as I feel it should be done, I simply need this additional increase of two clerks at \$1,200 each.

Mr. BINGHAM. Under the new system?

Mr. ANDREWS. The increase of work has been occasioned by the order in connection with the checks and the order for checking foreign merchandise through the mails—those two items.

WEDNESDAY, DECEMBER 2, 1908.

OFFICE OF THE AUDITOR FOR THE WAR DEPARTMENT.

STATEMENT OF MR. BENJAMIN F. HARPER, AUDITOR.

Mr. TAWNEY. In the hearing of the Auditor for the Post-Office Department before the committee it developed that during the last summer a departmental letter was sent to the several auditors in the Treasury Department and other bureau chiefs, calling on them to make a summary arrangement of their force under the present classification, with such recommendations as they saw fit to make regarding promotions and demotions, with a statement of the character of the work that was being done by each employee. Was there a departmental letter of that kind sent to you as Auditor for the War Department?

Mr. HARPER. There was.

Mr. TAWNEY. Have you complied with the request?

Mr. HARPER. I have.

Mr. TAWNEY. Have you sent your report to the head of your department?

Mr. HARPER. I have.

Mr. TAWNEY. Have you a copy of the letter that you could furnish to the committee?

Mr. HARPER. A copy of the letter?

Mr. TAWNEY. Yes, sir; a copy of the departmental letter sent to you.

Mr. HARPER. Yes, sir. It is a departmental letter, but I would think it would be proper to ask the Secretary of the Treasury.

Mr. TAWNEY. The Auditor for the Post-Office Department has suggested that he would send the committee a copy of the letter.

Mr. HARPER. I have no objections to sending it, with the Secretary's permission.

Mr. TAWNEY. Did you keep a copy of your report to the Secretary of the Treasury?

Mr. HARPER. I did.

Mr. TAWNEY. I suppose we can get a copy of that report from the Secretary?

Mr. HARPER. I should think so.

Mr. TAWNEY. That is all.

TUESDAY, DECEMBER 1, 1908.

OFFICE OF THE AUDITOR FOR THE NAVY DEPARTMENT.

STATEMENT OF MR. RALPH W. TYLER, AUDITOR.

Mr. BINGHAM. You ask for six additional clerks? Have you anything to say in addition to what is contained in your note?

Mr. TYLER. No; the note practically covers that. My department is behind and has been. It is simply impossible for the force we have to keep the work current.

Mr. TAWNEY. How far is your work behind?

Mr. TYLER. We are working on the third and fourth quarters of 1908, when we ought to be working on the first quarter of 1909.

Mr. TAWNEY. The work is about one quarter behind.

Mr. TYLER. Yes, sir. If we were about three months behind we would consider the work current. We did contemplate working the clerks at night, but we had no facility for lighting, so we could not do it. The change in the system of bookkeeping gives us between 250,000 and 300,000 vouchers to handle in a year, and then there has been a change in the payments at the navy-yard; instead of paying twice a month they are paying weekly.

Mr. BINGHAM. When did you commence that?

Mr. TYLER. A month or six weeks ago. We have 17 navy-yards.

Mr. BURLESON. Who issued the order for the weekly payments?

Mr. TYLER. The President. Then there has been increased work in connection with the Marine Corps.

Mr. BINGHAM. In connection with the Marine Corps, what has been the increase of work?

Mr. TYLER. In handling the Marine Corps pay rolls. They have monthly settlements in the Marine Corps now instead of quarterly settlements.

Mr. BINGHAM. You consider that an addition to the work?

Mr. TYLER. Yes, sir.

Mr. TAWNEY. If the order goes into effect taking the Marine Corps out of the Navy, that work will come out of your bureau?

Mr. TYLER. I do not know as to that.

OFFICE OF THE AUDITOR FOR THE STATE AND OTHER DEPARTMENTS.

STATEMENT OF MR. C. R. LAYTON, AUDITOR.

Mr. TAWNEY. You estimate for an increase of force of one laborer?

Mr. LAYTON. Yes, sir, and no, sir, if you please. We are asking for no actual increase in force. Since April, 1904, there has been a skilled helper detailed to our office. I understand it has been contrary to the civil-service rules, but it has been done for four years. The skilled helper was detailed from the Bureau of Engraving and Printing to our office. He has never been on our roll, but he has been among the efficient working force as a helper and messenger. We are simply asking that he be taken from the rolls of the Bureau of Engraving and Printing and be put on the rolls of our office.

Mr. BURLESON. Can that be done under the civil-service regulations?

Mr. LAYTON. He can not be transferred, but he has been, whether he can be or not. I want to make a further explanation. Since I made the estimate the man detailed from the Bureau of Engraving and Printing has passed his examination and graduated in dentistry. He proposes to resign in April, and what I would like to have is an additional laborer for our office beginning the 1st of next July.

Mr. TAWNEY. That is what you would have if you secure your present recommendation.

Mr. LAYTON. Yes, sir.

Mr. BINGHAM. The present man will not remain with you?

Mr. LAYTON. No, sir; he will not remain with us. He is going to resign in April, and so he will go off the rolls of the Bureau of Engraving and Printing.

Mr. BURLESON. If we give you four laborers, then we could strike out one laborer from the Bureau of Engraving and Printing?

Mr. LAYTON. Yes, sir. This just gives us four instead of three laborers. That is what I am asking for. Then you can strike out the language "including one additional in lieu of one classified laborer," etc.

Mr. BINGHAM. Is that all?

Mr. LAYTON. I have nothing else to ask for at this time.

Mr. BURLESON. How much has the helper been paid?

Mr. LAYTON. Six hundred and sixty dollars a year.

OFFICE OF THE AUDITOR FOR THE POST-OFFICE DEPARTMENT.

STATEMENT OF MR. M. O. CHANCE, AUDITOR.

Mr. BINGHAM. Has there been any complication so far as you are concerned in handling the new treasury system of bookkeeping?

Mr. CHANCE. No, sir; we only settle one account, that of the disbursing clerk, Post-Office Department, which is affected by the treasury system of bookkeeping. The real work of our office is on postal accounts, with which the Treasury Department has nothing to do in the matter of bookkeeping. The auditor is the bookkeeper for the Post-Office Department and keeps all postal accounts by his own system. These include the general revenue and appropriation accounts, as well as individual accounts with postmasters, mail contractors, and others.

Mr. BINGHAM. You ask for no increase because you are adopting that system?

Mr. CHANCE. None whatever.

Mr. BINGHAM. Your increases are for the general administration of your office?

Mr. CHANCE. Yes, sir. We ask for a very few increases as a matter of fact, and that is due to some reforms which we have introduced in the handling of the business in the office. I thought I would be able to come here without asking for any increase at all.

Mr. BINGHAM. You first suggest that one deputy auditor be dropped?

Mr. CHANCE. Yes, sir.

EXPERT ACCOUNTANT.

Mr. BINGHAM. But you ask for one expert accountant at \$2,250. Is that the deputy that you give up?

Mr. CHANCE. One of the deputies; I have two.

Mr. BINGHAM. Is that the man to whom you propose to give the position of expert accountant?

Mr. CHANCE. No, sir; one of the deputy auditors goes out and I get in his place, if this goes through, an expert accountant, a man who knows how to devise methods of accounting throughout the office.

Mr. BINGHAM. In lieu of the deputy auditor that you give up you ask for this expert accountant?

Mr. CHANCE. Yes, sir. I would like to read what I have said in my annual report in regard to the abolition of the office of deputy auditor.

Mr. TAWNEY. Very well, read it.

Mr. CHANCE (reads):

A former auditor of this office requested the Treasury Department to submit an estimate to Congress for an additional deputy auditor at a salary of \$2,500, giving as a reason for the recommendation that the magnitude of the labor performed emphasized the necessity for the provision. It was planned to divide the work of signing official papers between the two deputy auditors, so that a fiction of supervision could be exercised over the disbursements made by those signatures.

As set forth in this report, the work of signing official documents has been reduced materially by the adoption of a daily certification of balances, and a further reduction in the number of signatures required of the deputy auditors is intended in the recommendation that warrants and transfer drafts may be signed, as in the Post-Office Department, by a clerk above the \$1,000 grade.

The work of auditing the accounts of the postal service has become so specialized and so many safeguards have been thrown around the settlements that the affixing of a formal signature to a completed document is merely routine.

There is a field here for an expert accountant as contradistinguished from a bookkeeper.

The accountants employed by the Joint Commission on Business Method of the Post-Office Department and Postal Service made the criticism that the books of this office were kept on a single-entry basis on lines somewhat antiquated and characterized the system as primitive. Since assuming the duties of auditor it has been brought to my attention very forcibly that one of the great needs of this office is the adoption of modern business methods.

With the approval of the Secretary of the Treasury initial steps have been taken to install a system of double-entry bookkeeping with controlling accounts. The assistance of a trained accountant will not only be required in this work, but his services will be utilized from time to time in revising the accounting methods used in other branches of the office.

It is recommended that the appropriation for one deputy auditor be discontinued and that the employment of an expert accountant be authorized.

The deputy auditor of course now is appointed by the President and confirmed by the Senate without regard to his qualifications as an accountant.

Mr. TAWNEY. Are either of the deputies here?

Mr. CHANCE. No, sir; but I have talked it over with them, and they both agree that I am right.

Mr. LIVINGSTON. Are you not taking care of that man somewhere else?

Mr. CHANCE. No, sir.

Mr. LIVINGSTON. You drop him out?

Mr. CHANCE. Yes, sir. As far as I am concerned, I do not know of any provision which has been made for him.

Mr. LIVINGSTON. Let me understand this. This is all agreeable and all in the family and there will be no row?

Mr. CHANCE. No, sir. Both of the deputy auditors have agreed that it is the proper thing to do.

ADDITIONAL CLERKS.

Mr. BINGHAM. You ask for three clerks of class 5?

Mr. CHANCE. I have amended that request.

The estimates for this office as originally submitted contained recommendations for increase in the salaries of the chiefs of divisions now receiving \$2,000 per annum and the creation of a new grade of supervisory clerks at \$2,000.

Upon request I submitted a revised estimate, withdrawing the recommended increase in the salaries of the chiefs of divisions, leaving the establishment of the new grade of supervisory clerks at \$2,000, as embodied in the estimate now under consideration. In view of the modification of my recommendation for increase in the salaries of chiefs of divisions I wish to change my recommendation relative to the new supervisory grade and request that the three additional clerks be provided at \$1,800 per annum, giving this office 43 clerks at \$1,800, as against 40 clerks at \$1,800, now authorized.

I make this recommendation for the reason that I do not consider it good administrative policy to have in this office clerks of the same grade as the chiefs of divisions.

These clerks, with a knowledge of law and procedure and comptrollers' decisions, are needed to supervise the settlement of accounts. Under the civil service there are clerks of class 5, \$2,000.

Mr. GILLET. No; I think not.

Mr. BURLESON. That class is not known to the law?

The CLERK. There are a few in the office of the Secretary of the Interior, but they are simply called clerks, at \$2,000.

Mr. BINGHAM. Did not the recent business depression affect the money-order business?

Mr. CHANCE. Yes, sir.

Mr. BINGHAM. Did it reduce it?

Mr. CHANCE. Not appreciably. There was not as great an increase this year as last year in the money-order business, but there was an increase over last year.

CARPENTER.

Mr. BINGHAM. What do you want with an additional carpenter? Does not the present one do all your work?

Mr. CHANCE. No, sir.

Mr. BINGHAM. How many people have you engaged in that work?

Mr. CHANCE. We have one skilled laborer designated as a carpenter and a man detailed to him as a helper.

Mr. BINGHAM. Do they have steady work?

Mr. CHANCE. Yes, sir; they have more work all the time than they can do now, the two of them. It is manifest economy to make furniture, chairs, etc., last longer by promptly repairing them and it is of great advantage to have force enough to make tables, cases, etc., as soon as they are needed.

MONEY-ORDER ASSORTERS.

Mr. BINGHAM. You estimate for 10 money-order assorters at \$840 each?

Mr. CHANCE. Yes, sir.

Mr. BURLESON. That is a new creation, there is no such office now.

Mr. BINGHAM. How many money-order assorters have you?

Mr. CHANCE. One hundred and seventy-nine.

Mr. BINGHAM. And you need 10 more?

Mr. CHANCE. Yes, sir.

Mr. TAWNEY. Are they under the civil service?

Mr. CHANCE. Yes, sir; in this way: One hundred and thirty-six of them were appointed by transfer from the Bureau of Engraving and Printing on account of their expert knowledge in handling paper, counting and assorting it, but there is no chance at all for promotion. They are appointed by the civil service in the Bureau of Engraving and Printing and then transferred to our office. They can not get above this grade no matter how long they serve in the department. They are not allowed to take an examination for promotion to a clerical grade. We need 10 additional assorters, and instead of asking for them at the lower grade I asked at the higher grade in order to give some little chance of promotion.

Mr. BINGHAM. They will be new appointees?

Mr. CHANCE. Yes, sir.

Mr. BINGHAM. And at a higher pay than the others?

Mr. CHANCE. They will not get the higher pay; I do not claim that. I will promote deserving persons now in the office and the new employees will be appointed at the lowest grade, which is \$660.

Mr. BURLESON. If we change the designation they will lose their places?

Mr. CHANCE. No; they will not. They will be reappointed under the new designation.

Mr. BURLESON. You have no right to appoint them; they have to come in through the civil service?

Mr. CHANCE. No. They are now known in the civil service as money-order assorters; they are appointed in my office as female skilled laborers, female operatives—two grades, skilled laborers—two grades, and male laborers.

Mr. BURLESON. We fixed this last time in order to give some of these people promotion.

Mr. CHANCE. The change in designation does not give them anything, it just makes four classes instead of seven, as is now the case.

Mr. BURLESON. Are you sure they will not lose their positions?

Mr. CHANCE. Yes, sir.

Mr. BURLESON. You have looked into it?

Mr. CHANCE. Yes, sir.

Mr. LIVINGSTON. Why do you change the designation?

Mr. CHANCE. To simplify our rolls I want them all known as money-order assorters; they all do exactly the same work.

Mr. BINGHAM. The prohibition as to increase will not interfere?

Mr. CHANCE. No, sir. As the designation of these people will be changed on the first of the year from female skilled laborers, female operatives, etc., to "money-order assorters," they will all be known as money-order assorters. They all do the same class of work.

Mr. BURLESON. You recommend this change so as to give some chance for these poor people to be promoted?

Mr. CHANCE. Yes, sir. They do harder work than anybody in the government service and get less pay; there is no question about that.

Mr. BURLESON. But are you not eliminating the chance for promotion by lessening the number of classes?

Mr. CHANCE. Not at all. I am bunching them together.

Mr. BURLESON. It will not decrease their pay?

Mr. CHANCE. No, sir. If I am allowed the ten positions at \$840 it will give some little chance of promotion.

Mr. BURLESON. You think that they have earned it?

Mr. CHANCE. Yes, sir; there is no question about that. These people do good work and are hard workers. If you saw these people at work I think you would raise their salary to \$1,000.

Mr. BINGHAM. Do you consider that the change of names which you have suggested makes any real improvement in the service?

Mr. CHANCE. It does not make any material difference. It simply puts them under one head as they should be.

(Mr. Chance submitted the following memorandum:)

Ten money-order sorters, \$840, also a reclassification. Prior to 1903 those engaged in assorting paid money orders were called "money-order sorters." In that year their designation was changed to "skilled laborers," and since then "female laborers," "female operatives," and "laborers" have been added, until at present we have:

1909:		
15 female skilled laborers, at \$780	-----	\$11,700
69 skilled laborers, at \$720	-----	49,680
15 female operatives, at \$720	-----	10,800
53 skilled laborers, at \$660	-----	34,980
15 female operatives, at \$660	-----	9,900
12 male laborers, ^a at \$660	-----	7,920
179		124,980
Proposed for 1910:		
10 money-order sorters, at \$840	-----	8,400
15 money-order sorters, at \$780	-----	11,700
84 money-order sorters, at \$720	-----	60,480
80 money-order sorters, at \$660	-----	52,800
189		133,380

The number of all kinds of money orders issued is increasing at the rate of three to four millions a year, and last year 6,291 new money-order offices were created (an increase of 0.1661 per cent), requiring that many more separations by office in the work of assorting money orders. The increase in the auditor's force in 1908 over 1907 was 4 per cent, while the increase of 1909 over 1908 was only about one-half of 1 per cent.

To meet the growth of the service 10 additional sorters are asked for at a grade of \$840. This new grade is to enable promotions to be given to worthy employees who are now earning more than it is possible to pay them, due to the fact that of the 164 money-order

^a The present bill calls for 24, but 12 of these are not assorting money orders. They are doing manual labor.

This change in designation is to simplify our rolls and give these employees a title descriptive of the work on which they are engaged.

assorters 136 have been transferred to this office from the Bureau of Engraving and Printing, and under paragraph 7, rule 10, of the Civil Service Regulations, they are not eligible to promotions to clerical grades. Only 15 of them can reach a salary of \$780. The remainder are restricted to the \$720 and \$660 grades.

A large majority of the money-order assorters who were transferred from the bureau are young women, efficient, alert, active, and rapid assorters who accomplish a great deal of work. They earn and deserve more than \$660, which is all that many of them can receive under our present appropriation.

WATCHMEN.

Mr. BINGHAM. In regard to the omission of the six watchmen suggested in your estimates, the note says:

These watchmen are under the control and direction of the captain of the watch, Treasury Department, and it is believed they should be appropriated for under "Office of the Secretary—office of chief clerk and superintendent."

Mr. CHANCE. These watchmen have always been under the chief clerk of the Treasury Department. I have never had anything to do with them, nor has any other auditor that I know of. They are detailed to watch our buildings, but they are under the supervision of the captain of the watch, and I suggested to the Secretary of the Treasury, and he agreed with me, that they be transferred to the Secretary's roll with the other watchmen of the Treasury Department. No other auditor has any watchmen.

Mr. BURLESON. That is a good suggestion.

MALE LABORERS.

Mr. BINGHAM. I notice that you reduce the number of male laborers from 24 to 12?

Mr. CHANCE. Yes, sir; 12 of the 24 are doing money-order work, and are provided for in the estimate for 80 assorters at \$660. The other 12 here estimated for are doing manual labor.

Mr. BINGHAM. They continue as they have been.

CHARWOMEN.

Mr. BINGHAM. How many charwomen have you?

Mr. CHANCE. Twenty-one. This is for a forewoman to look after the charwomen and see that the rooms are kept clean and in good sanitary condition. The position will require more or less executive ability as well as the care, custody, and judicious issue of cleaning material and supplies. She will have charge and assignment of the 21 charwomen.

ADDING MACHINES.

Mr. BINGHAM. On page 106, "For purchase, exchange, and repair of adding machines" your estimate is \$4,200, and your appropriation for the current year \$1,000?

Mr. CHANCE. Yes, sir.

Mr. BURLESON. Will that be economy?

Mr. CHANCE. Yes, sir; if you will allow me to read this report.

Mr. TAWNEY. Proceed.

Mr. CHANCE. Last year 6,291 additional money-order offices were created, and the announced policy of the Postmaster-General is to greatly extend the money-order service; the orders issued are increasing at the rate of from three to four millions a year and more adding machines are required. In 1908 the appropriation was only \$1,000, which was insufficient for our needs. We were able to purchase only one additional machine and exchange two old ones for new ones at a total cost of \$703. Repairs so far have cost about \$190, thus using up \$893 of the \$1,000 appropriated. The balance will barely take care of the further repairs which will be needed this year. On account of the increase of business we could with great advantage use four new machines at the present time, and we should have in reserve three machines to substitute for machines which break down. The loss of clerks' time in waiting for repairs, or in turning to the slower hand work while machines are being repaired, far exceeds the cost of a reasonable number of reserve machines.

Seventeen of the 31 machines on the Inspection Division have been in constant hard service every day for three years from 9 to 4.30, and have become much worn; they should all be renewed by exchange for the most modern improved types. Eight of these machines are in bad condition; the other nine have been frequently repaired and are much worn. They are slower than new models and amount of work which they will do is appreciably less than can be done on new machines. The loss by a reduced output of work is far greater than will be the cost of exchanging all of these machines for new, modern types.

The estimates for 1910 were arrived at as follows:

One new 13-column split electric.....	\$454. 55
Three 6-column electric, at \$281.82.....	845. 46
Three 6-column electric relief machines, at \$281.82.....	845. 46
Seventeen new 6-column electric machines in exchange for seventeen old machines, at a net cost of \$100 each.....	1, 700. 00
For repairs.....	354. 53
	4, 200. 00

The clerks at work on these adding machines do not stop a minute. They use the machines from 9 a. m. until 4.30 o'clock p. m. They do nothing else.

I give an itemized account made from the estimates of the adding-machine people as to what it would cost to bring our machines up to date and for the new machines we wish to purchase.

Mr. TAWNEY. What is the cost of these machines?

Mr. CHANCE. They cost from \$235 up. Is not that right. Mr. Duncan?

Mr. DUNCAN. \$281.82.

Mr. TAWNEY. Have you a schedule of the prices?

Mr. CHANCE. No; but I can furnish it to you.

Mr. TAWNEY. These machines are not rented?

Mr. CHANCE. No, sir.

Mr. TAWNEY. How many manufacturers of these machines are there?

Mr. CHANCE. There are about four that I know of.

Mr. TAWNEY. Do you purchase by open bids or do you go into the market without reference to soliciting proposals?

Mr. CHANCE. We get proposals from the different companies. We have three or four different makes of machines in our office.

Mr. DUNCAN. There are three different makes in the office.

Mr. LIVINGSTON. Are they all sold to you at the same price?

Mr. CHANCE. No; at different prices for different sizes. Most of the machines are furnished with an electrical attachment.

RECLASSIFICATION OF EMPLOYEES.

Mr. TAWNEY. Have you, as Auditor for the Post-Office Department, received during the summer any letter or communication from the Secretary of the Treasury or anyone requesting you to reclassify the employees of your bureau and adjust the salaries on the basis of the present classification, providing for such promotions or demotions as you deem necessary?

Mr. CHANCE. Yes, sir.

Mr. TAWNEY. Have you made your report?

Mr. CHANCE. No, sir; I have not made the report, but I have it in such shape that I can get it together in a few days. Mr. Duncan, do you not think we could get it up by the close of the week?

Mr. DUNCAN. Yes, sir.

Mr. TAWNEY. Can you furnish the committee with a copy of the letter that will give us an idea of the scope of the work that you have been requested to do in that regard?

Mr. CHANCE. Yes, sir.

Mr. BURLESON. Just put it in the hearing.

(The letter referred to is as follows:)

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

Washington, July 15, 1908.

To Heads of Bureaus of the Treasury Department, and Chiefs of Division of the Secretary's Office.

GENTLEMEN: Your attention is called to an executive order of May 13, 1908, to arrange the salaries of employees, as provided by existing laws, so as to conform, as nearly as may be, to the schedule recommended by the committee on department methods. A printed copy of that schedule is inclosed herewith.

You are requested to cause a review to be made of the work of your several employees, comparing it carefully with the examples given in the schedules, and determining in each case the grade and class to which such work properly belongs.

You will recommend a readjustment of the salaries and work of your employees, so far as practicable and desirable, in conformity with this schedule, taking into account the work upon which the several employees are now engaged, their experience on other work, their capabilities and availability for other work, their faithfulness, general efficiency, length of service, time record, and amenability to discipline. You will also give full weight to considerations growing out of military or naval service in the civil and Spanish-American wars.

You will please accompany your recommendations with a full statement of the reasons relied upon to sustain them.

Respectfully,

GEO. B. CORTELYOU,

Secretary.

Mr. LIVINGSTON. We would like also to have your report.

Mr. CHANCE. That will be made to the Secretary of the Treasury, and you will have to call on him for the report.

Mr. LIVINGSTON. When you make that report are you going to make the promotions and demotions upon what basis—the basis of age is not going to enter?

Mr. CHANCE. On the basis of efficiency and the class of work performed.

Mr. TAWNEY. That is what I understood, on the basis of the class of work and the efficiency with which the work has been heretofore accomplished.

Mr. LIVINGSTON. Your report will show the basis?

Mr. CHANCE. Yes, sir; I have it all written out. I have taken the clerks and tell what they do and how they do their work, and the grade of work. Each clerk's work is taken up and classified.

Mr. BINGHAM. Have you heretofore asked for any increase of force on account of the new system of bookkeeping?

Mr. CHANCE. No, sir.

Mr. BINGHAM. Your subordinate force is as large as all the other auditors' offices put together?

Mr. CHANCE. Our office is larger than all the other auditors' offices put together.

Mr. BINGHAM. As to the auditing service, how do you compare?

Mr. CHANCE. You mean as to numbers?

Mr. BINGHAM. In the work, as to the system of bookkeeping, in the auditing of accounts?

Mr. DUNCAN. There is no comparison; we stand alone. We keep general accounts; the others do not. We have practically no relation with the Treasury Department on postal accounts, as we do our own bookkeeping.

Mr. BINGHAM. Under your own system?

Mr. DUNCAN. Yes, sir. We alone of all the auditors keep general books. We keep those for the postal service. The appropriation accounts of other departments are kept by the Division of Bookkeeping and Warrants, Treasury Department.

OFFICE OF THE TREASURER.

STATEMENT OF MR. W. F. WARNER, CHIEF CLERK, ACCOMPANIED BY MR. THOMAS E. ROGERS, SUPERINTENDENT NATIONAL BANK REDEMPTION AGENCY.

INCREASE OF FORCE.

Mr. BINGHAM. You ask for an increase of \$55,000 or \$56,000. Wherein comes the necessity for that vast increase?

Mr. WARNER. On account of the great increase in the issue of notes and the redemptions. The increase in the issue of notes amounts to about 10 per cent in amount and 15 per cent in value, and the redemption to about the same. We have at the present time 120 temporary or detailed employees in our office. That includes the agency.

Mr. BINGHAM. That is in the office of the Treasurer?

Mr. WARNER. Yes, sir. We have 28 in the office of the Treasurer and 92 in the National Bank Redemption Agency.

Mr. BINGHAM. You asked for an increase there, also.

Mr. WARNER. Yes, sir.

Mr. BINGHAM. Wherein comes this increase of work; from what special line of work as against the current year?

Mr. WARNER. The great demand for smaller notes and the heavy issue of those notes and the redemption. We intend to increase the number of packages from 170 to 200, 4,000 notes each, and we must provide for the redemption of the notes also.

Mr. TAWNEY. I notice, on page 86, that you estimate for 5 "principal clerks;" that is a new designation?

Mr. WARNER. That is a new grade; yes, sir. That is because we have to assign men to the various divisions as acting chiefs and tellers and on account of the responsibilities attached thereto. It is principally on account of the visitations to various subtreasuries that we have to take our principal men away, and we have to put the undermen up to the higher positions, where they have the same responsibilities.

Mr. BINGHAM. They are promotions?

Mr. WARNER. Yes, sir; they would be promoted.

Mr. BINGHAM. The men are there now?

Mr. WARNER. Yes, sir.

Mr. BINGHAM. And receive what compensation?

Mr. WARNER. Eighteen hundred dollars.

Mr. GILLETT. Some of the clerks are away permanently?

Mr. WARNER. They are away very much of the time.

Mr. GILLETT. How much of the time are they away?

Mr. WARNER. Sometimes they are away several times a year.

Mr. GILLETT. How long are they away each time?

Mr. WARNER. There are now five of them in New York, and they will probably be there until the 1st of February. They have been there ever since the 30th of October.

Mr. TAWNEY. What do they go out for?

Mr. WARNER. For examination, or when there is a change in office or the giving of a new bond, they make the count.

Mr. TAWNEY. There has been a change made in the office in New York?

Mr. WARNER. Yes, sir. The treasurer is there now in charge ad interim. They will keep a separate set of books until the new assistant treasurer is confirmed, and then they will begin another count. That will take 25 people in addition to the laborers.

Mr. GILLETT. Any of the 25 people of the high grade?

Mr. WARNER. Yes, sir; mostly.

Mr. GILLETT. What do you mean by high grade?

Mr. WARNER. Chiefs of division, tellers, assistant tellers, and book-keepers.

Mr. GILLETT. What salaries do they receive?

Mr. WARNER. All the way from \$1,600 to \$2,500.

ASSISTANT CLERK TO TREASURER.

Mr. BINGHAM. I notice that you are asking for a new assistant clerk for the treasurer at \$1,600.

Mr. WARNER. He is chairman of the committee for the examination of bonds to be accepted for deposits. Since they have taken in so many of the city and municipal bonds it requires a great deal of work in the examinations of those things. We have to take people away from their regular duties to help in that examination and frequently they work long overtime.

Mr. BURLESON. How much overtime do they work?

Mr. WARNER. Until 7, 8, or 9 o'clock at night; sometimes until midnight.

Mr. TAWNEY. There is no classification as "principal clerk" authorized by law and if we allowed them it would simply be five clerks at \$2,100 each. Their duties are clerical?

Mr. WARNER. Yes, sir; clerical and tellers.

Mr. TAWNEY. Entirely clerical.

Mr. WARNER. Yes, sir; clerical and tellers.

Mr. TAWNEY. What amount of initiative is necessarily required of them in the discharge of their duties?

Mr. WARNER. Very frequently they have entire charge of the division. They may not be classified as assistant chiefs of divisions and tellers, but they very frequently perform the duties in the absence of the chief and tellers.

Mr. TAWNEY. Only when the chief is absent do they perform his duties?

Mr. WARNER. That is all.

Mr. TAWNEY. What is the nature of the work that they would ordinarily perform?

Mr. WARNER. In the division of accounts, loans, national banks, and other divisions they are engaged in bookkeeping, the adjustment of accounts, etc. In the cash division, as tellers—

Mr. TAWNEY (interrupting). No. The five clerks that you designate as "principal clerks," what are their specific duties?

Mr. WARNER. Assistant tellers and bookkeepers, and in some cases acting as chiefs of division. In the division of issue and redemption, a fourth-class clerk frequently—in fact, he did for several months, because the chief was abroad with the Monetary Commission—had the entire responsibility of that division, and the same is true in some cases in the division of loans and the division of accounts.

Mr. TAWNEY. Their work is practically clerical all the time, is it not, such as bookkeeping?

Mr. WARNER. Yes, sir; clerical and money work.

EXPERT COUNTERS.

Mr. BINGHAM. You ask for 30 expert counters at \$900 each, 30 at \$800 each, and 72 at \$720 each. Are those simply promotions?

Mr. WARNER. No, sir; not entirely.

Mr. BINGHAM. What is the necessity of any promotions, as far as compensation is concerned?

Mr. WARNER. On account of the better class of work which they do which results from experience. We put them first on the low notes, and then, when they become more efficient, on the higher denomination of notes.

Mr. BINGHAM. Is that work of greater value?

Mr. WARNER. Yes, sir.

Mr. BINGHAM. Is not that easier work?

Mr. WARNER. No, sir. They are responsible for all shortages, counterfeits, or raised notes.

Mr. BINGHAM. Does the shortage amount to anything?

Mr. WARNER. Yes, sir. Frequently we have had instances where they pay their entire salary in one month, and they get very little.

Mr. BINGHAM. That may be in an exceptional case, but please give me the rule. That does not occur if they are reasonably expert.

Mr. WARNER. While it is exceptional it is a frequent occurrence for the tellers to make good a shortage in cash, the same as these people.

Mr. BURLESON. These expert counters come from the Bureau of Engraving and Printing?

Mr. WARNER. Yes, sir.

Mr. BURLESON. They are transferred to the Treasury Department from the Bureau of Engraving and Printing?

Mr. WARNER. Yes, sir; almost exclusively. Their pay runs from \$660 up to \$900, and the higher salaries are based on years of experience.

Mr. TAWNEY. You have them now, and they are merely detailed from the Bureau of Printing and Engraving?

Mr. WARNER. Yes, sir. In addition to that Mr. Rogers has a large force which is employed in the agency also detailed from the bureau. They allow the bureau to employ them and ask to be reimbursed.

Mr. TAWNEY. Employment in the Bureau of Engraving and Printing is used as a sort of apprenticeship for this work?

Mr. WARNER. Yes, sir.

Mr. TAWNEY. All the new counters or the new people employed in this service are first employed in the bureau?

Mr. WARNER. Yes, sir.

Mr. BINGHAM. What do they get there?

Mr. WARNER. They start in at \$390 per annum as printers' assistants.

Mr. BINGHAM. What do they get when they enter your service?

Mr. WARNER. Six hundred dollars or \$700. We bring them over at the lowest grade, which is \$660, and then they can go up to \$900.

Mr. BINGHAM. And they are only eligible as expert counters?

Mr. WARNER. Yes, sir.

Mr. BINGHAM. Those positions are under the civil service?

Mr. WARNER. Yes, sir; but limited. They can not go beyond the grade of expert counter. They can not go to clerical grades.

Mr. BURLESON. You spoke of somebody else having some of these counters?

Mr. WARNER. Yes, sir; Mr. Rogers, of the national bank redemption agency.

Mr. BURLESON. How many has he?

Mr. WARNER. He has 92 detailed there now.

Mr. BURLESON. For the same class of labor?

Mr. WARNER. Yes, sir.

MESSENGERS.

Mr. BINGHAM. You ask for an increase of messengers. 8 messengers instead of 7 messengers?

Mr. WARNER. Yes, sir.

Mr. BINGHAM. Are they all needed?

Mr. WARNER. Yes, sir; they are very much needed.

ASSISTANT MESSENGERS.

Mr. WARNER. Our bureau is a little different from other bureaus. gers?

Mr. WARNER. Yes, sir.

Mr. BURLESON. What do you need with that many messengers?

Mr. WARNER. Our bureau is a little different from other bureaus. We have a great deal of work in connection with very valuable papers and very valuable money packages.

ASSISTANT FOREMAN PRESSMAN.

Mr. BINGHAM. You estimate for an assistant foreman pressman at \$1,440?

Mr. WARNER. Yes, sir. We put in a lot of additional presses. We have increased the floor space and it was essential that we should have a foreman and assistant foreman for the machines, because if anything happens to a machine several hundred notes might be destroyed before it could be stopped.

CHARWOMEN.

Mr. TAWNEY. Why do you need so many more charwomen? You now have eleven and you estimate for sixteen.

Mr. WARNER. On account of the floor space and machinery.

Mr. TAWNEY. How much of an increase has there been in floor space?

Mr. WARNER. I should say probably one-fifth of the entire office. We put in several additional presses and separating machines, and on account of the oils and different kinds of inks it is difficult to take care of the office.

Mr. TAWNEY. You are now occupying that increased space?

Mr. WARNER. Yes, sir.

Mr. TAWNEY. And the 11 charwomen are taking care of it?

Mr. WARNER. In a way; it is not adequate by any means.

Mr. BINGHAM. That is an increase of almost 50 per cent.

Mr. WARNER. Yes, sir. If it was office space it would not make so much difference, but it is the dirt resulting from the machinery.

REDEEMING NATIONAL CURRENCY.

Mr. BURLESON. In 1900 you had an appropriation of \$71,000, and you ask this year for an appropriation of \$173,000. I can not understand that increase in eight years.

Mr. WARNER. The increase in the business has been far greater than that. The redemptions in 1900 were \$96,982,000, and the redemptions in 1908 were \$349,634,000, an increase of 260.51 per cent.

Mr. TAWNEY. That is the force employed in redeeming the national currency, and is reimbursable from the national banks?

Mr. WARNER. Yes, sir.

Mr. TAWNEY. There is one question about this appropriation for the current year—\$133,840—being reimbursable; is it reimbursable only apparently or is it reimbursable in fact?

Mr. WARNER. It is reimbursable in fact, so far as the treasurer's office is concerned.

Mr. LIVINGSTON. How do you get that money?

Mr. WARNER. Mr. Rogers will explain that.

Mr. TAWNEY. Mr. Rogers, is it taken from the tax paid by national banks?

Mr. ROGERS. It is assessed directly on the national banks in proportion to the redemption of their notes.

Mr. TAWNEY. It does not come out of their annual tax?

Mr. ROGERS. No, sir. That tax is gathered into the Treasury as a part of the revenues of the Government.

Mr. BURLESON. They transmit it to you?

Mr. ROGERS. Yes, sir.

Mr. TAWNEY. That is in addition to the regular tax?

Mr. ROGERS. Yes, sir.

Mr. TAWNEY. It is actually reimbursed?

Mr. ROGERS. Yes, sir.

Mr. BURLESON. Who makes up the estimate of the amount that is required?

Mr. ROGERS. It is made up in the treasurer's office.

Mr. BURLESON. Do you make it up?

Mr. ROGERS. Yes, sir.

Mr. BURLESON. Do you regard all this increase as absolutely necessary?

Mr. ROGERS. We have been fairly equal to the work of \$300,000,000 a year in redemption. Since last January our redemptions have been at the rate of \$425,000,000 a year, and we have only been able to accomplish the work by details from the bureau, expecting later to come to you gentlemen here and ask authorization to assess the banks to reimburse the bureau.

Mr. BURLESON. What bureau do you speak of, the Bureau of Printing and Engraving?

Mr. ROGERS. Yes, sir.

Mr. BURLESON. They had a surplus of clerks over there and so they let you have them?

Mr. ROGERS. You know the bureau's appropriation is a lump sum for operatives, so that the number of operatives there may be on the roll at a given time is not specifically limited.

Mr. TAWNEY. The general law gives authority to make these special assessments on the national banks in proportion to the number of notes redeemed?

Mr. ROGERS. Yes, sir.

Mr. TAWNEY. And you do not need any specific authority to tax the banks?

Mr. ROGERS. No, sir. The statutes are already on the books to enable us to do so.

OFFICE OF THE REGISTER OF THE TREASURY.

STATEMENT OF MR. WILLIAM T. VERNON, REGISTER OF THE TREASURY.

Mr. BINGHAM. Mr. Vernon, give us the necessity, just generally, for the several increases.

Mr. VERNON. I made no recommendations in the case of presidential appointments. I have asked that two chiefs of division at \$2,000 be increased to \$2,250 each.

Mr. BURLESON. That is already cut out.

Mr. VERNON. Maybe I do not understand your book. Yes; here I see it; five clerks of class 4 and five clerks of class 3. I asked there that you give us that extra clerk of a higher class. He is a man who has been at \$1,800, a man by the name of Floyd, a very fine clerk, and he was reduced under the provisions of the Dockery Act to \$1,600. He is a very proficient man, and it is often necessary for him to be detailed on special work throughout the department. He is a very valuable man, and he has been there twenty-five years, and I feel, and the division chief feels, and all of us feel, that he is worth that money.

Mr. GILLETT. When was he reduced?

Mr. VERNON. Under the provisions of the Dockery Act.

Mr. BURLESON. That is a promotion, by striking out \$2,000 and inserting \$2,500.

Mr. BINGHAM. I suppose these increases of \$200 per clerkship are a lift up from the lower to the higher classes?

Mr. VERNON. There is only one other case, and that is the case of a young man who is now drawing \$900. He is a very expert stenographer, and aside from doing first-class work in the division of loans and currency it is necessary to use him as a stenographer. He is the only stenographer who can do the sort of work that needs to be done. I use him and the chief of division uses him. He is worth the work of two men, the work of a clerk and the work of a stenographer as well.

Mr. GILLETT. Now there are five expert counters?

Mr. VERNON. Yes, sir. I can explain that. As you know, the work is increasing right along. We are constantly calling on the Secretary to detail to our office counters from the Bureau of Engraving and Printing. We sometimes have as many as five there detailed.

Mr. BINGHAM. Detailed how long?

Mr. VERNON. Well, right along. We have been keeping some.

Mr. TAWNEY. How do they detail them from the Bureau of Engraving and Printing unless they have served there for five years?

Mr. VERNON. We do not take that into account, Mr. Tawney. We know they have been there sufficiently long for us to get them. You remember at one time heretofore, when I first came on, through some legislative inequality these counters were not eligible for promotion, so we took the matter up with the secretary of the Civil Service Commission, and these people were made eligible, just as the counters in the treasurer's office and the counters in the other offices in the building. Now, I have set forth in my regular report the matter in concrete form; that is, I have given the increase in the amount of counting they do right along. Some of these counters get \$720 now and some get \$900. The counters in the treasurer's office, who are doing the same work, get \$900. Those in the office of the collector of internal revenue get \$900. In that class are those concerning whom you and I have had talks from time to time. Those people are all efficient, and they should be put in the same \$900 class.

Mr. GILLETT. Why should they not be put in the \$720 class?

Mr. VERNON. Because their work is worth more than \$720. They begin working early in the morning.

Mr. GILLETT. How early?

Mr. VERNON. About 9 o'clock. Whether they work to 4.30 or after, whether their work increases or not, their pay is the same.

Gentlemen, I thank you very much for this opportunity to say this for them, and I am especially interested in that young man's case.

Mr. GILLET. Which one?

Mr. VERNON. That one whom I asked to have increased from \$900 to \$1,200; because he is both a stenographer and a clerk. And in the case of these women counters there, if you saw them working in the hot summer time and counting, as they do I am sure you would feel that the recommendation I make is a just one.

TREASURY DEPARTMENT,
OFFICE OF REGISTER OF THE TREASURY,
Washington, December 1, 1908.

Hon. L. A. COOLIDGE,

Assistant Secretary of the Treasury.

SIR: In the estimate of salaries for this office for the fiscal year ending June 30, 1909, I have recommended that we be given one clerk of class 4, in lieu of one of class 3.

This recommendation was made in order to provide adequate compensation for a clerk who was reduced from \$1,800 to \$1,600 per annum under the Dockery Act. This clerk besides being charged with the stationery and requisitions of the office, does other important work requiring great care and accuracy. He is frequently called upon to serve upon various departmental committees because of his experience, efficiency, and knowledge of methods.

I have also recommended that we be given one clerk of class 1, in lieu of one of class D, in order to provide a well-merited promotion for a stenographer and typewriter who, apart from his stenographic work, is engaged upon other important work in the division of loans. His present compensation of \$900 per annum is entirely inadequate for the work he is doing.

I have further recommended that we be given an increase of five expert counters at \$900 per annum, and that the compensation of the twelve expert counters in this office, who now receive \$720, be increased to \$900 each. This recommendation is made because of the increasing amount of work in the currency section, and the severe strain and tax upon the counters render their present salary of \$720 inadequate for the work they are doing. This increase of salary would also put them on a par with counters in other bureaus who receive \$900 per annum.

Respectfully,

W. T. VERNON, *Register.*

WEDNESDAY, DECEMBER 2, 1908.

OFFICE OF THE COMMISSIONER OF INTERNAL REVENUE.

STATEMENT OF MR. E. A. FORBES, CHIEF OF ACCOUNTS DIVISION.

Mr. BINGHAM. At the end of the paragraph, on page 91, you seem to have two changes, but they seem to bring you within the limitations of the current law.

Mr. FORBES. Yes; and we save \$60.

Mr. TAWNEY. You want three messengers?

Mr. FORBES. Yes; they are additional.

Mr. BINGHAM. Wherein comes the difference between a messenger and an assistant messenger in importance of work?

Mr. FORBES. It is regarded that a messenger does more important work than an assistant messenger. The assistant messenger is more on the order of a laborer, but there really is no difference in the work which they are called upon to do.

Mr. TAWNEY. What is the difference in compensation?

Mr. FORBES. A messenger gets \$70 a month and an assistant messenger \$60 a month.

Mr. BINGHAM. You take your assistant messengers and lift them to messengers in your proposed plan?

Mr. FORBES. That is the custom.

Mr. BINGHAM. One class is just as competent as the other?

Mr. LIVINGSTON. You would not want to say that?

Mr. FORBES. No, sir; I should not want to say that the assistant messenger is as competent as the messenger.

Mr. BURLESON. You would probably make packers of these men?

Mr. FORBES. Yes.

Mr. BURLESON. Then all that this amounts to is the promotion of five of these assistant messengers to \$840?

Mr. FORBES. Yes; it is to retain competent men. The trouble is we have been losing men by transfer to other departments.

Mr. BURLESON. It does not take a very competent man to pack stamps, does it?

Mr. FORBES. They become expert in their line, and the object is to make promotion an incentive in order to keep them.

Mr. LIVINGSTON. It is an increase of \$300 in the compensation of your force?

Mr. FORBES. Yes, sir.

COLLECTING INTERNAL REVENUE.

Mr. BINGHAM. You ask for the same as is provided in the current law?

Mr. FORBES. Yes; there is no change.

Mr. BINGHAM. You have made no attempt in the current year to accomplish any reduction in this appropriation of \$2,075,000?

Mr. FORBES. No, sir; that stands as it has stood for three years at \$2,075,000.

Mr. TAWNEY. These are not statutory salaries, are they?

Mr. FORBES. No; except the collectors. They are limited by law to \$4,500. In the first three months of the current year there was an increase in the expenses payable from the collector's appropriation amounting to \$11,699.48.

Mr. LIVINGSTON. That increase was in expenses or in collectors?

Mr. FORBES. It is in expenses.

Mr. LIVINGSTON. How do the collections stand? Are they falling off?

Mr. FORBES. The collections up to yesterday for the fiscal year show an approximate loss of \$6,600,000 for the year. In October last the loss was as high as \$10,000,000.

Mr. BINGHAM. What is it up to date?

Mr. FORBES. Up to date the loss is \$6,600,000. The gain in November was \$2,700,000 over the same month of the year before.

Mr. BURLESON. What is the loss for this fiscal year?

Mr. FORBES. Six million six hundred thousand dollars. I have forgotten the odd dollars.

Mr. LIVINGSTON. The way the months are going, the last three or four months, are we gaining or losing?

Mr. FORBES. We were \$10,000,000 behind in October, from the 1st of July, compared with the same period a year ago. Now we are gaining and are only \$6,600,000 behind.

Mr. BURLESON. What do you estimate will be the approximate loss for the fiscal year?

Mr. FORBES. Our collections last year were \$251,000,000 and a little better. I estimated for \$250,000,000 for this year. Considering the way they ran in November, they will probably be a little more than that.

Mr. BURLESON. How much do you say the loss will be for the fiscal year?

Mr. FORBES. I should say the collections will be about the same as the last fiscal year. I think there probably will not be any loss.

Mr. TAWNEY. What is the result of the prohibitory legislation on the collections?

Mr. FORBES. Well, it is my opinion that it has had its influence in the reduction of the revenue. I have a statement here showing the loss for the first three months of this fiscal year. The reduction in the receipts from spirits is \$5,542,000. Tobacco shows an increase of \$47,796. Fermented liquor shows a decrease of \$1,781,932.71, so that the loss is principally from distilled spirits.

Mr. LIVINGSTON. Does that cover the distilled spirits in the bonded warehouses?

Mr. FORBES. It covers the tax paid on all distilled spirits. We take no account of that in bond in reckoning the revenues.

Mr. TAWNEY. Have you any statement showing the difference in collections in States that have enacted prohibitory legislation—before such legislation was enacted, and since, showing the effect of that legislation?

Mr. FORBES. Only by fiscal years. Our report, which is now in the printer's hands, will show that.

Mr. TAWNEY. You do not know what it is?

Mr. FORBES. No, sir.

Mr. LIVINGSTON. You have no way to ascertain whether there has been a falling off in the use and consumption, or has it only been in the manufacture?

Mr. FORBES. No. I do not know how much tax-paid spirits are in free warehouses or otherwise held. The quantity of spirits being manufactured does not necessarily affect the revenues, as spirits are not tax paid until withdrawn from bond.

Mr. BURLESON. Have you a record in your office of the number of internal-revenue licenses issued to persons engaged in the sale of intoxicating liquors in States that have adopted prohibition?

Mr. FORBES. Yes, sir; compiled after the close of each fiscal year from reports of collectors of internal revenue.

Mr. TAWNEY. Your report would show that?

Mr. FORBES. Yes.

Mr. BURLESON. Would it be much trouble for you to compile the statistics relating to Maine, Vermont, Georgia, and Iowa?

Mr. FORBES. If you will give me a memorandum of that, I will see.

Mr. BURLESON. I want a prohibition State in the South, a prohibition State in the Middle West, and a prohibition State in the East.

Mr. LIVINGSTON. Take Georgia, Kansas, and Maine.

Mr. BURLESON. I wish you would mail me that, please—Georgia, Kansas, and Maine.

Mr. FORBES. I will. You wish the number of special taxpayers that sell liquor at retail—distilled spirits?

Mr. BURLESON. I want everybody that sells liquor in those States—wholesale and retail. I want the whole thing in Maine, Kansas, and Georgia. You understand, I do not care anything about Georgia before.

Mr. FORBES. Very well.

Mr. BINGHAM. What is your revenue from distilled spirits? I ask that because I want to follow that with a simple inquiry as to fermented liquors. What was the revenue from distilled spirits?

Mr. FORBES. For the past year?

Mr. BINGHAM. Yes.

Mr. FORBES. \$140,158,807.15 for fiscal year ended June 30, 1908.

Mr. BINGHAM. Give me the revenue from distilled spirits and the revenue from fermented liquors. According to your own statement fermented liquors have gone on, while distilled spirits have been reduced.

Mr. FORBES. \$59,807,616.80 revenue from fermented liquor for fiscal year ended June 30, 1908. Fermented liquors show a small reduction for the first three months of the present fiscal year.

INJURIES TO FIELD OFFICERS.

Mr. BINGHAM. The next paragraph is on page 109, the italicized section. It makes a difference of what?

Mr. TAWNEY. We put that in at the last session of Congress, and it went out on a point of order.

Mr. BINGHAM. It is the same thing, the same character of a paragraph?

Mr. TAWNEY. Yes.

Mr. BINGHAM. That is current law?

Mr. FORBES. That appropriation; yes, sir.

Mr. BINGHAM. There is no possibility of reduction without going into details?

Mr. FORBES. I think not. The way the prospects are at present, the collections are increasing.

Mr. BINGHAM. This is a wise protection?

Mr. FORBES. I think so.

THURSDAY, DECEMBER 3, 1908.

THE BUREAU OF ENGRAVING AND PRINTING.

STATEMENTS OF MR. JOSEPH E. RALPH, DIRECTOR, AND MR. FRANK E. FERGUSON, ASSISTANT DIRECTOR.

CHIEF CLERK.

Mr. TAWNEY. The first item is on page 93, where you suggest chief clerk, \$2,800, and drop one accountant, \$2,500. That will promote somebody by giving him an increase of salary of \$300?

Mr. RALPH. Yes, sir; the present accountant. I will state that the assistant director and the director handles all the miscellaneous correspondence, promotions, appointments, and leaves of absence. I find that they can be relieved of that work by transferring it to the chief clerk. We have never had such an officer in the bureau. That would give us more time for the administrative affairs of the bureau, and I think we would profit very much thereby.

Mr. BINGHAM. That is the only change?

Mr. RALPH. Yes, sir. I think that the salary of \$2,800 is commensurate with the duties of the office.

Mr. BURLESON. That is an increase of \$25 a month?

Mr. RALPH. Yes, sir. There is no such bureau as ours where the chief clerk does not receive over \$3,000.

Mr. TAWNEY. Is there any chief clerk who receives \$3,000, except the chief clerk of the War Department?

Mr. RALPH. The chief clerk of the Treasury Department.

Mr. TAWNEY. Yes; but yours is a bureau. What does this accountant do now?

Mr. RALPH. He had charge of the accounts exclusively, but that duty has been transferred to a separate division—the division of assignments and review—and the accountant now has charge of the personnel of the bureau and contracts. The chief clerk will take the division of contracts, promotions, appointments, and leaves of absence. There is a great deal of labor in connection with that work and a great deal of responsibility.

Mr. BINGHAM. Would he have the same line of work as chief clerk?

Mr. RALPH. Yes, sir; principally.

Mr. TAWNEY. Is the man who has heretofore filled the position of accountant now doing the work of chief clerk?

Mr. RALPH. We have no chief clerk now. He would do the work.

Mr. BURLESON. He is doing the same work now that he would do after the change of designation?

Mr. RALPH. There would be a little change. He would only take the contracts, leaves of absence, promotions, and personnel of the bureau, which are principally the duties of all chief clerks. The other work would be carried on under the division of assignments and review, such as making up the pay rolls and accounts in general.

Mr. TAWNEY. That work is now being done in the division of assignments and review?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. That work is not being done in the director's office now?

Mr. RALPH. No, sir.

Mr. BINGHAM. You would retain this same party who now receives \$2,500?

Mr. RALPH. Yes, sir.

Mr. BINGHAM. And you want to give him some additional work?

Mr. RALPH. Yes, sir.

Mr. BINGHAM. Is there any absolute necessity for a change of name?

Mr. RALPH. Yes, sir. The designation of "Accountant" is a misnomer, and would not apply to the duties that I intend to assign him.

CLERICAL SERVICES.

Mr. TAWNEY. At the bottom of page 94 you recommend striking out "and no other fund appropriated by this or any other act shall be used for services, in the Bureau of Engraving and Printing, of the character specified by this paragraph."

Why do you recommend that?

Mr. RALPH. I want to say that this is my first appearance before your committee—

Mr. BINGHAM (interrupting). I hope you will make a good many.

Mr. RALPH. I thank you, General. I come here with the express intention of carrying out the wishes of this committee, and with the hope that each year as I appear before you I can render a statement of fact that we practiced economy, and that we have increased our dividends. I believe the bureau is a dividend-paying institution; I am satisfied it is, and I want to increase the dividend.

I do not want to practice any deception upon this committee. I can not obey that provision. Now, for instance, getting out the emergency currency was a tremendous job. Just before Congress adjourned, on the last day of the session, it passed the emergency currency act, and I have been working twenty-four hours a day right along up to the present time. I have printed and delivered, perhaps, \$365,000,000 of national currency altogether of the \$500,000,000 authorized by the act. The organization of the force to do that was something tremendous. I had to scour the country for technical men in order to do it. I had to go to corporations engaged in our business and take their most skilled men. This was detrimental to their business and did them a great injustice. But realizing the urgent necessity of promptly complying with the mandates of Congress I acted promptly. The Government should be in a position to have trained men to meet emergencies of that kind. I have taken that up with the department, and it has made arrangements with the Civil Service Commission to certify apprentices, properly qualified for this work.

Mr. TAWNEY. What kind of work?

Mr. RALPH. Engraving, transferring, and plate cleaning. Steel engraving is, perhaps, the highest art for artisans that we know of to-day. The most expert engraver we have receives a salary of \$6,600. He is worth more than that.

Mr. BURLESON. You pay him out of the lump-sum appropriation?

Mr. RALPH. Yes, sir. His chief competitor in the world is in China and is being paid in excess of twice his salary. They had been negotiating with our man but he would not go for the salary offered, although it was double what he is now receiving. I had to go to the bank-note companies and take men trained for this work and jeopardize the work of those companies. In some instances I paid them the same wages and in one or two instances a little more, a couple of hundred dollars a year. We did not know when the crisis was coming, and I did not want to be in a position where they could say that the bureau stood in the way of getting this currency out. It necessitated the alteration of 10,000 national-bank plates. I finally got an adequate force to do the work. I am now doing 100 per cent more than I estimated for. I have at the present time altered 5,000 plates and

printed \$365,000,000 and we have in reserve, in case of any demand upon the Comptroller of the Currency, about \$325,000,000. It will take me four months to complete the \$500,000,000. We are getting down to the small banks, the banks with capital of \$20,000, \$25,000, \$40,000, and \$50,000, so that it will take me some time to alter the 5,000 additional plates and print the currency therefrom, but I expect that about the 1st of May we will have altered all the plates and completed the \$500,000,000.

Mr. BURLISON. How many pieces of paper is that?

Mr. RALPH. Approximately 13,500,000 pieces of paper—four subjects. There are four notes on a sheet.

Mr. BURLISON. But it is just one printing?

Mr. RALPH. Yes, sir. About 50 per cent will be in notes of the denomination of \$10, about 35 per cent will be in notes of the denomination of \$5 and the other 15 per cent will be divided between notes of the denominations of \$20, \$50, and \$100.

Mr. TAWNEY. How do you pay for this work?

Mr. RALPH. We are reimbursed through the emergency-currency act.

Mr. TAWNEY. You are reimbursed from the emergency-currency act?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. Do you first pay it out of your appropriation?

Mr. RALPH. In some instances. Where the employees are altering plates in the engraving division, for instance, I pay them out of my appropriation and then present a bill every month to the Comptroller of the Currency for the alteration of so many plates, at a cost per plate, and I am reimbursed from the appropriation that was carried in the act.

Mr. TAWNEY. The banks do not pay for the change in their plates?

Mr. RALPH. No, sir.

Mr. TAWNEY. That is paid for from the appropriation carried in the emergency-currency act?

Mr. RALPH. Yes, sir; there is a blank sum. For the printing of the currency itself I am reimbursed each month by the Comptroller of the Currency out of that fund—for the actual cost of printing the sheets.

Mr. TAWNEY. What has been the cost up to this time of the currency that you have printed under the emergency-currency act, including the change of the plates?

Mr. RALPH. I would have to make a guess.

Mr. TAWNEY. Approximately.

Mr. RALPH. My estimate for the alteration of plates before the bill became a law was about \$150,000. I think I will come within that and that it will not cost over \$120,000.

Mr. TAWNEY. That is for the changing of the plates?

Mr. RALPH. Yes, sir. The entire cost for printing to the present time will come within the limit of \$375,000, exclusive of the cost of the paper.

Mr. TAWNEY. While you have done this work have you also been keeping up your regular work?

Mr. RALPH. Yes, sir. I have met every demand made upon me. At the present time we are getting out the Panama bonds.

Mr. TAWNEY. Have you received a request for engraving new Panama postage stamps?

Mr. RALPH. No, sir; that is being considered, but I have no order authorizing me to do the work.

Mr. TAWNEY. I did not know whether it had gotten that far. I knew it was under consideration as the result of the change of Presidents down there last fall.

What have you further to say in regard to this provision that no other fund appropriated by this or any other act shall be used for services in the Bureau of Engraving and Printing, of the character specified in this paragraph?

Mr. RALPH. When occasions arise like the emergency currency and the issuing of those bonds, why, it necessarily increases the clerical work of the bureau, and no provision being made for additional clerks, it necessarily follows that I must detail some operatives to act as clerks or to do clerical work under the name and title of operatives; borrow them from some division. I have to do that, as I can not let the work go by default.

Mr. TAWNEY. The purposes of this paragraph relate entirely to the clerical service?

Mr. RALPH. Yes, sir. I want to say that I understand thoroughly the intention of the committee in putting that proviso in the bill. Since the organization of the bureau, when the committee did not give it additional clerks, as a matter of necessity it was compelled to take operatives, generally bright young women who had experience in clerical work outside the bureau and after serving some time as printer's assistant, had attracted attention because of their qualifications as clerks.

Mr. TAWNEY. Is it not a fact that the practice that obtained heretofore afforded the opportunity for the head of the department to swell to any extent he saw fit the number employed as clerks in the bureau? That it was a matter merely within his discretion, and that he could take as many operatives as he saw fit and detail them from the operating force as clerks in the bureau and thereby swell the number of clerks, and Congress had no control over the clerical services at all?

Mr. RALPH. I will qualify that by saying that it has been done.

Mr. TAWNEY. I say it has been done.

Mr. RALPH. But I want to say, from careful research and experience in the bureau, that I think it was a necessity, because of the fact that the operative force of the bureau has increased 500 per cent where there has been no increase in the clerical force; certainly no corresponding increase.

Mr. TAWNEY. You do not ask for any additional clerks?

Mr. RALPH. Yes, sir; I did. I had prepared an estimate asking for some clerks, but after the executive order was issued I did not submit it.

Mr. BINGHAM. Are you estimating upon the assumption that this paragraph is to be wiped out?

Mr. RALPH. No, sir. I simply call attention to that paragraph. I have no design of adding any additional clerks, only in a case like this emergency currency or the printing of the bonds. I understand that the Internal-Revenue Commissioner is asking for an increased delivery of stamps over his estimate this year.

Mr. TAWNEY. That increased work necessarily increases the clerical work?

Mr. RALPH. Yes, sir; very largely. The revenues of our Government are very largely derived from the sale of internal-revenue stamps. I have had to find ways and means of printing them, but we come within the limit. I assure you I will have a surplus this year. I have introduced some labor-saving devices which do not conflict in any manner so as to eliminate any of our employees, but they do reduce the cost.

Mr. TAWNEY. You had estimated for some additional force?

Mr. RALPH. Yes, sir; but after the executive order was issued I did not submit the estimate.

Mr. TAWNEY. The executive order did not apply to increases of services, only to increases of compensation.

Mr. RALPH. I understood it was the wish of the President that there be no increases asked for, either clerks or salaries.

Mr. TAWNEY. It is perhaps unfortunate that all the bureau chiefs did not interpret the President's order in the same way you did.

Mr. RALPH. I want to say that Congress will adjourn, and you will have an extra session and pass, in all probability, a revision of the tariff, and, possibly, the internal-revenue taxes. That will necessitate a tremendous amount of work in the bureau on account of the changes in the schedules on tobacco and spirits. I can not foresee where the occasions will arise. I do not want to violate the law, and I do not intend to. It would be very hard to define a clerk in all branches of our work. The employees are doing such work as counting, and a certain amount of clerical work must be done in their duties. I understand the purpose and intent of this law is that the Director of the Bureau of Engraving and Printing, acting under approval of the Secretary of the Treasury, shall not use any other moneys appropriated to reimburse some one who was appointed as an operative and actually doing clerical work, but I have now in the accountant's office eight operatives, and they have been there a number of years.

Mr. BINGHAM. That [indicating] is your list in connection with your suggestions in regard to this paragraph?

Mr. RALPH. Yes, sir.

Mr. BINGHAM. Suppose you go quickly over that list and give us the main points?

Mr. RALPH. I ask that I be allowed 17 clerks at \$780 in place of 11.

Mr. BINGHAM. That is additional.

Mr. RALPH. Yes, sir; in the original estimate that I prepared. After the executive order I revised it and cut it down to the present appropriation, with the exception of the chief clerk to be changed from accountant.

Mr. TAWNEY. If we strike out this language at the bottom of page 94, then it will be possible, as I understand you, to transfer from the operating department the number of people that you would otherwise have estimated for?

Mr. RALPH. Yes, sir; that is the purpose. I would like to come to this committee with a specific number of clerks at given salaries.

Mr. TAWNEY. Would it not be better to estimate and let Congress provide specifically for the number of clerks you are to have, the number of clerks which, in your judgment, you will need for the next fiscal year?

Mr. RALPH. I believe that in an honest administration of the force it would be more economical when the occasion arose to use an operative as a clerk, to do so rather than to specify a given number, because of the fact that the number of clerks would be based on the normal condition of the work at the present time, and if an occasion arose which increased the work 25 per cent, then I would be prevented from increasing my clerical force to take care of that increased work. At the present time the clerks on this class of work are working additional hours without compensation. Our bureau differs very largely from the departments.

Mr. TAWNEY. Your bureau is a manufacturing plant?

Mr. RALPH. Yes, sir; and I can not tell what to-morrow is going to bring forth. In the average office in the Treasury Department or most of the departments, if a clerk is absent from duty for a week or two weeks it does not embarrass their work to have that desk idle, because the work accumulates, and by the concentrated efforts on the part of the clerks, when he returns, they catch up with the work.

I had a call this morning from the treasurer of Porto Rico. He wants a bond issue for Porto Rico, and he wants it within thirty days, and I will have to get it out.

The Postmaster-General has in his report recommended that the Government do the work of printing stamped envelopes and postal cards. I think, outside of the thirty days' leave of absence, we can do the work equally as cheap as an outside firm and give better satisfaction in delivery and quality of work. I would not be surprised if in two years, when the contract expires and we get in the new building, we were not called upon to do the stamped envelopes and postal cards for the Post-Office Department. The amount of stamps increased 15 per cent over last year, and next year I expect to see an increase of 20 per cent or 25 per cent.

Mr. BINGHAM. Do I understand that the list you submit now was the list made up and submitted to the Treasury Department in connection with your estimates for the next fiscal year?

Mr. RALPH. I have not presented them to the Secretary of the Treasury. I had the list prepared and was to send it in the very day the executive order was issued. Then I revised it.

Mr. BINGHAM. In other words, that was your estimate as you made it up?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. You want six additional clerks in the grade of \$780?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. What else?

Mr. RALPH. Two additional clerks, at \$840 each. I want one clerk of class 4, \$1,800. I have no such clerk. The great mass of our clerks are girls and women. I think in a great institution like this there ought to be men in line for promotion, men in training for the work. It takes years of experience to become familiar with the details of the work, technical and otherwise, in order to carry on the work. It is possible that at any time Mr. Lamasure, who has been in the bureau a great many years, will be compelled to retire. His age is such that he is liable to be disqualified at any time. He has been a very efficient man and a very valuable man to the Government. He has been in the bureau some thirty or thirty-one years. He possesses exceptional ability and is familiar with all the details and routine

of the bureau, and someone should be in training to follow him, and the \$1,800 position is needed for this purpose. No one who is not acquainted with the work can really comprehend the amount of detail. It is not only a manufacturing plant but it is a banking institution. Care must be exercised to safeguard the millions that we are turning out each day, and to prevent any misuse and any dishonesty on the part of the employees requires very exacting discipline. No other institution in the world equals the bureau in the matter of discipline. It is marvelous. Everybody who comes in and investigates it says so. Only recently a man in charge of the supplies in a large establishment visited the bureau, and he marveled at the businesslike methods we had in the awards of contracts for supplies and the fact that we were buying materials cheaper than they were.

Mr. BURLESON. Right on that point, I would like to ask you how the cost of the work turned out by the Government compares with the cost of the work turned out by the American Bank Note Company?

Mr. RALPH. The American Bank Note Company does not bid on any work similar to what we are doing on which comparison could be made except the postage stamps. We do these stamps as cheaply as the American Bank Note Company could do them or bid to do them. They were somewhat lower than we were at the last bidding, but we have succeeded in reducing the cost of production considerably since submitting the bid on which the contract was awarded.

Mr. BURLESON. Do you do the printing of the return cards on letters?

Mr. RALPH. No. That is done at the Government Printing Office.

Mr. BURLESON. That is not done at your bureau at all?

Mr. RALPH. No, sir. The Government Printing Office prints the money orders and return cards and rural delivery cards.

Mr. LIVINGSTON. I suggest that we strike out the language at the bottom of page 94 and that you leave us the list of clerks you want.

Mr. RALPH. I can leave this with the committee.

Mr. TAWNEY. Now give us the number of clerks required for the next fiscal year in order to transact the business.

Mr. BURLESON. You want one clerk at \$1,800?

Mr. RALPH. Yes, sir. Then I would increase the four clerks of class 3 to six clerks of class 3. Then we want six clerks at \$840 each, in lieu of four clerks at \$840 each. I have four now, but I ask for six, because I want to take care of two operatives there. Then I want six additional clerks at \$780 each. I have eleven at \$780, and I want seventeen at \$780. There is no increase in force at all, except in classes 3 and 4.

Mr. TAWNEY. And the lump sum appropriation, out of which the operatives are now employed in the office as clerks, could be reduced by that amount, or would you put other operatives in their places?

Mr. RALPH. Only if the increased work demanded it; otherwise there would be no increase.

Mr. BURLESON. I thought that you stated that you only wanted six more clerks?

Mr. RALPH. I want an increase of three clerks, one of class 4 and two of class 3. Those are the only increases of clerks I want. The others are now employed in the bureau, but they are operatives doing the work. I did ask for an increase of messengers, but I am willing to cut that out. We can get along with the present force. I am sat-

ified with that. Part of the duties of the chief of the division of assignments and review, who has charge of all the work that is now being done in the accounting office will be transferred to the chief clerk. There will be no increase in the total appropriation if you provide for the chief of division of assignments and review at \$3,000 in this legislative bill.

Mr. BURLESON. Deduct him from the lump sum roll and put him in this bill?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. He would then be provided for specifically?

Mr. RALPH. Yes, sir.

Mr. BURLESON. What would you call him?

Mr. RALPH. Chief of the division of assignments and review.

Mr. TAWNEY. If this provision were made in this paragraph, would there then be any objection to continuing this language?

Mr. RALPH. Only to meet emergencies that might arise. I would like to have it. I do not want to violate the law.

Mr. TAWNEY. I understand.

Mr. BINGHAM. Is it a violation? You simply get them from the other lines of work which they do somehow or other in the departments.

Mr. RALPH. I went to the Comptroller of the Treasury on two or three occasions, and he agreed that it was not a violation of the law, but technically I thought it was.

Mr. TAWNEY. Have you in your experience in the department and service there ever investigated the cost of commercial work such as you are doing for the purpose of comparing the relative cost of that work with the cost of the work you are now doing in the bureau?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. How does it compare, the government work with the outside work?

Mr. RALPH. Our work, such as printing the internal-revenue stamps, surface-printing work, is about the only thing that you could make a comparison with. I am going to do the postage-stamp work at a big saving on account of the introduction of some improved methods. I am still pursuing those methods and am applying them to all branches of the work. I want to take the committee into my confidence. Only recently I have constructed in the bureau a machine for stretching the gum on the back of the sheets of stamps, the large sheets, 400 stamps to a sheet, so as to prevent the curling of the sheet, thereby reducing the mutilation of the same 3 or 4 per cent, and that means reduced cost. We have also constructed a machine for the perforation of the sheets, which reduces the mutilation of the sheets from imperfect perforation 9 or 10 per cent. In one instance we constructed a machine for the cancellation of mutilated postage stamps. We saved \$18 a day with that one machine. I am employing these methods throughout the bureau.

Mr. TAWNEY. How does the cost of your work compare with the cost of work outside?

Mr. RALPH. Notwithstanding our employees get thirty days' leave of absence, it is my honest, frank judgment that we are doing the work for at least 10 or 15 per cent less than you can get it done by contract, with the increased security. That is what makes our work expensive, the security, the safeguarding, and checking up. All

those checks are expensive, but they are really necessary in our business. In addition to that we are giving you a higher class of work than you would get from an outside establishment.

Mr. BINGHAM. In regard to the postage stamps, when was the last competition?

Mr. RALPH. Two years ago.

Mr. BINGHAM. Does that contract run for four years?

Mr. RALPH. Yes, sir.

Mr. BURLESON. The appliances you speak of as labor-saving devices, do you make them yourself?

Mr. RALPH. Yes, sir.

Mr. BURLESON. Do you invent them?

Mr. RALPH. In one of those instances I permitted the man who built the machine to make application for a patent, reserving to the Government the right to use the machine. I suggested the idea to him and I marveled at the success that he made. The engineers that I consulted did not think it was possible, but he worked it out.

SEALS ON UNITED STATES NOTES.

Mr. TAWNEY. A year ago I asked some questions of the then Director of the Bureau of Engraving and Printing regarding the practicability of inventing a machine which would print the seal, and also the numeral at the same time. Has anything been done in that regard, to your knowledge?

Mr. RALPH. Acting upon the suggestion made by Mr. Tawney, then, we have looked into the matter and find that it is not only feasible but practicable to do so. I have taken the matter up with Mr. Coolidge, Assistant Secretary of the Treasury in charge of bureau affairs, and the Treasurer of the United States, or in fact the assistant treasurer, Mr. Bantz, who was also consulted at that time by Mr. Tawney about the feasibility of doing the numbering and sealing at one operation. They concur in the recommendation that I now make as to the policy of doing this work. The notes are sealed in the Treasurer's office, you understand.

Mr. TAWNEY. I understand.

Mr. RALPH. But we pursue the same mechanical process in numbering as they do in sealing, only we use a numbering device where they use the plates with the seals on them. It costs in the numbering division \$163,856.51 to do all the work required of that division. Now, I could also do the sealing in that division that is now being done in the treasurer's office, and for which there is an appropriation in the legislative bill, without any additional cost.

Mr. BURLESON. You could do it at the same time?

Mr. RALPH. Yes, sir.

Mr. BURLESON. Just by one operation?

Mr. RALPH. Yes, sir.

Mr. TAWNEY. What is the appropriation in the treasurer's office?

Mr. RALPH. I can not say. It would of course necessitate the purchase of additional machinery.

Mr. TAWNEY. How much more would the machine cost that would do this work than the machine you now have?

Mr. RALPH. Not very much, if any more, only we would have to construct an entirely new machine, and we would have to discard the

machines we are now using and probably would not get much money for them at a public sale. I can go further than that. I can trim the notes at the same operation. That is my judgment, and it has been confirmed by the experts I have called in. Expecting that Mr. Tawney would bring this matter up this year I got in touch with three of the largest manufacturers in our country who make presses—the Potter Printing Press Company, of Plainfield, N. J.; the Harris Printing Press Company, of Niles, Ohio, and the Hoe Printing Press Company, of New York. They sent their engineers here and they all reported that it was a practicable thing to do, and that there was no question about their being able to build a press to do that work. In making this research I found that we had in the trimming room twenty-nine machines which trimmed the margin of the sheet after it is plate printed, so as to give that margin here [indicating] for a side guide when it is numbered. In the treasurer's office they trim off the end of the sheet when they separate the notes. It costs me to trim the sheets approximately \$44,000. I can save that. So it is my judgment that either the treasurer's office or the Bureau of Engraving and Printing could number, seal, and trim the sheets with one operation, thereby saving the Government about \$115,000 or \$120,000 a year. When we found a press which was satisfactory it would take probably twenty-five of those presses to do the work, and the cost of the machinery would be approximately \$50,000.

Mr. TAWNEY. The cost of the machinery would be no more than that to supply the whole plant?

Mr. RALPH. No, sir; I have an offer from one man to build such a machine for less than \$1,750, and I am satisfied that if he could get an order for 25 machines he would materially reduce that price.

Mr. TAWNEY. Have you authority now to order the machines made?

Mr. RALPH. Yes, sir; I have authority under the existing law.

Mr. TAWNEY. And the money?

Mr. RALPH. Yes, sir.

Mr. BINGHAM. Where would the economies come from?

Mr. RALPH. The economies would come in the saving of about \$115,000 a year. If I did this work that is now being done by the Treasurer it would reduce my force of operatives about 65 or 70 in the trimming division, but I could absorb those people in other divisions where vacancies are occurring. It would not be any hardship to my employees. Since last July I have appointed perhaps 250 or 300 people.

Mr. TAWNEY. How long would it take you to get the machines?

Mr. RALPH. Perhaps 50 or 60 days.

WEDNESDAY, DECEMBER 2, 1908.

OFFICE OF DIRECTOR OF THE MINT.

**STATEMENT OF MR. ROBERT E. PRESTON, EXAMINER, BUREAU
OF THE MINT.**

FREIGHT ON BULLION AND COIN.

Mr. BINGHAM. On page 96, in the first paragraph, you ask a little change. Have you so exceeded your estimates under current law that

you think you will have to come in with a deficiency this year of about the same amount as last year?

Mr. PRESTON. The same as last year.

Mr. BINGHAM. In 1906 you got \$30,000 additional as a deficiency, and in 1907, \$20,000 additional as a deficiency, and in 1908, \$60,000. We gave you for the current year the same as for 1908, but you came in with a deficiency. We assume you will come in with a deficiency this year, and therefore you make your estimate \$100,000. Is that it?

Mr. PRESTON. Yes, sir.

Mr. BINGHAM. Why do you have deficiencies? What is the continual reason?

Mr. PRESTON. Take last year. In the New York assay office the deposits of gold bullion there last year—the original deposits—were over \$114,000,000. It will become necessary to transport that bullion to Philadelphia for coinage and refining, because the refining part of the New York assay office is torn down, pending the construction of the new building. The Treasury wanted the money to issue the certificates on, and then we had to have bullion to pay depositors; but we did not use as much as we expected last year, for the simple reason that in the latter part of March last there came a demand for gold for export, and they took bars instead of coin, and that saved us.

EXAMINATIONS OF MINTS.

Mr. BINGHAM. At the bottom of page 96 the current law gives you \$3,000. For several years preceding you have had deficiencies. Do you estimate a deficiency this year?

Mr. PRESTON. Not if you will give us \$3,500 that we ask for.

Mr. BINGHAM. Do you think you can live this year under the \$3,000?

Mr. PRESTON. I can not tell about that. Some contingencies may arise that can not be foreseen. Every now and then we have some investigation to make and some examination. If there is a change of superintendents—

Mr. BINGHAM. Up to this time are you in a deficiency?

Mr. PRESTON. Not up to this time.

Mr. BINGHAM. You think you will need the \$3,500?

Mr. PRESTON. Yes, sir.

Mr. BINGHAM. On page 97, for the collection of statistics relative to the annual production and consumption of precious metals, your estimate is reduced from \$2,500 to \$2,000. Is that estimate needed?

Mr. PRESTON. That is what we can get along on.

MINTS AND ASSAY OFFICES.

Mr. BINGHAM. You are prepared to go through the mints and assay offices?

Mr. PRESTON. Yes.

MINT AT CARSON, NEV.—WAGES OF WORKMEN.

Mr. BINGHAM. In the second item you ask for an increase of \$1,250. Are you doing more work?

Mr. PRESTON. We are doing more work.

Mr. BINGHAM. Is there any increase of wages?

Mr. PRESTON. There is a slight increase in the force, made necessary by the amount of deposits on account of the recent discoveries of gold in Nevada.

MINT AT DENVER, COLO.

Mr. BINGHAM. The next item is "Mint at Denver, Colo.," current law. There is no reduction there. Are you going to run them there just as they have been running?

Mr. PRESTON. Yes.

Mr. BINGHAM. What does that new language mean, "New machinery and repairs, exclusive of that required for the refinery?"

Mr. PRESTON. All the expenses of refining, including the machinery, are paid out of the charges collected from the depositors for those operations.

Mr. BINGHAM. Is that a new condition?

Mr. PRESTON. We wanted it more specific than it was. Sometimes a little piece of machinery breaks down. It is used exclusively in the refining. Under the law this provision read, "including machinery." We want to attach to the refining what is proper.

Mr. LIVINGSTON. The amendment is necessary, and it does not cost anything?

Mr. PRESTON. No, sir.

MINT AT NEW ORLEANS, LA.

Mr. LIVINGSTON. New Orleans is all according to current law?

Mr. BINGHAM. There is no change there, and no proposition for change, having had some trouble in years past at New Orleans.

Mr. PRESTON. I want to say that New Orleans has done mighty good work for us in the last year.

MINT AT PHILADELPHIA, PA.

Mr. BINGHAM. At Philadelphia you want an assistant cashier?

Mr. COURTS. That is a change of name, simply.

Mr. BINGHAM. You will run the same line of work at Philadelphia that you are running to-day?

Mr. PRESTON. Yes.

Mr. LIVINGSTON. It is all current, clear down?

ASSAY OFFICE AT DEADWOOD, S. DAK.

Mr. COURTS. There is no change until you come to page 129, for incidental expenses at Deadwood. They reduce the amount from \$2,000 to \$1,200.

ASSAY OFFICES AT HELENA, MONT., AND NEW YORK, N. Y.

Mr. COURTS. There is something rather remarkable on pages 130 and 131. At the assay office at Helena they estimate for not exceeding \$6,300 for other clerks and employees, instead of not exceeding \$6,030, and at the assay office at New York they propose to reduce the salary of the assistant smelter and refiner from \$2,500 to \$2,000.

Mr. PRESTON. That is New York, making it the same as is paid at Philadelphia and San Francisco and for the service at Denver.

Mr. BINGHAM. That is acceptable to the local administration?

Mr. PRESTON. Yes, sir.

Mr. BINGHAM. All right.

ASSAY OFFICE AT SALT LAKE CITY, UTAH.

Mr. COURTS. On page 134 is the new assay office at Salt Lake City, Utah. That was established last session by special act of Congress, which carried a lump appropriation of \$20,000, specifying only two salaries, that of the assayer in charge, at \$2,500, and that of the chief clerk, at \$1,500. Now they come and, as I understand, Mr. Preston, you stipulate an organized force there, and instead of a chief clerk at \$1,500 you simply ask for a clerk at \$1,400, and that seems to be the ordinary staff of a like assay office, I presume.

Mr. BINGHAM. In other words, you are now making it a distinctive assay office with a sufficient subordinate force to do the work?

Mr. PRESTON. Yes.

Mr. LIVINGSTON. I do not see why you want an assay office in Utah. I do not see the necessity for it. They are all around out there.

TUESDAY, DECEMBER 1, 1908.

OFFICE OF PUBLIC HEALTH AND MARINE-HOSPITAL SERVICE.

STATEMENT OF GENERAL WALTER WYMAN, SURGEON-GENERAL.

CLERKS.

Mr. BINGHAM. Please tell us about these items, two additional clerks and one additional messenger?

General WYMAN. I have asked for two additional clerks, which are very much needed in the bureau. The increase in the number of clerks of class 1 from six, as now provided by law, to eight, is required by reason of the rapid growth of the service and the necessity of increased administrative facilities for its efficient conduct. The functions of the service have largely increased under existing laws and by natural development, in response to a demand for the further protection of the public health. One is needed in the division of scientific research and sanitation and the other in the division of sanitary reports and statistics.

Mr. BURLESON. Could not you take clerks from some other division and put them on this work?

General WYMAN. No, sir; that is impossible.

Mr. TAWNEY. If your service was kept within the limitations which surrounded it a year ago you would not need any additional force?

General WYMAN. We have not exceeded the limitations of a year ago. The limitations of a year ago were the limitations of our clerical force, so to speak.

Mr. TAWNEY. In other words, the extent of the activities of your bureau is measured by the number of clerks that you can employ under existing laws?

General WYMAN. That is true to a certain extent. We have only 20 clerks in our bureau, if you leave out the chief clerk and my private secretary, and that is a very small number to do the work we are expected to do under the present law.

MESSENGER.

There is one other item, and that is an additional messenger.

The number of messengers is increased from one, as now provided by law, to two. This is done because a man is much needed to attend to the wrapping, addressing, and mailing of the service publications. The number of publications handled by this office has so increased that extra help is needed in order that they may be promptly sent out, that the mailing lists may be constantly kept correct, and that daily requests for public-health reports and bulletins may be attended to. The weekly edition of the Public Health Report is 2,900. In addition to these there are the Hygienic Laboratory bulletins, Yellow Fever Institute bulletins, annual reports, and miscellaneous publications.

Mr. TAWNEY. How much of a mailing list have you?

General WYMAN. We send out annually over 250,000 publications.

Mr. TAWNEY. How many persons have you on that work?

General WYMAN. We have the partial services of one pharmacist and then we hire a woman to come and wrap and mail the publication once a week. That is all we have for that work.

Mr. TAWNEY. Are the addresses written?

General WYMAN. No; that work is done by an addressograph. These publications are all sent out to addresses on mailing lists kept in this office. In addition, there are daily many requests for publications from health officers and practicing physicians. These have to be wrapped, addressed, and mailed. During the last fiscal year 222,456 copies of the various service publications were sent out from this office. Part of this work has been done in the past by a woman who wraps and addresses the publications by piecework under departmental authority, part has been done by employees who have other regular duties to occupy their time. The work has reached a point where piecework is unsatisfactory and, in addition, the need of frequent messenger service between the officer having charge of the publications and the basement where the publications are stored and handled renders this employee necessary for the continuation of the work.

Mr. LIVINGSTON. What salary do you ask?

General WYMAN. We want a messenger's salary.

Mr. LIVINGSTON. Would not a messenger boy at \$340 answer your purposes?

General WYMAN. No, sir; he would not answer at all. We have to have a very intelligent messenger.

STATEMENT OF MR. GEORGE SIMMONS, CHIEF DIVISION OF PRINTING AND STATIONERY.**STATIONERY.**

Mr. BINGHAM. "For stationery for the Treasury Department" you ask an increase from \$40,000 to \$45,000. Why the increase?

Mr. SIMMONS. There is a constant increase in the demands for supplies, especially in some of the larger offices—the office of the Comptroller of the Currency, the office of the Commissioner of Internal Revenue, and the Treasurer's office, for instance. There has been increase in the business of those offices, and of course there is a corresponding increase in the demand for supplies.

Mr. TAWNEY. Will you have a deficiency this year?

Mr. SIMMONS. We are trying to avoid it, but I am afraid that we can not make it come out all right. I believe there will be a shortage.

Mr. BINGHAM. Does the appropriation of \$40,000 in anywise limit you uncomfortably?

Mr. SIMMONS. I think it does. I think we will not be able to get through this year with it. We are doing the best we can. There is one thing I want to explain in connection with this. Under a recent ruling of the auditor, the item of toilet paper which is used in the public buildings is not a proper item to charge against the stationery appropriation, and I think it is going to be transferred to the miscellaneous appropriation. Of course if that is done it will help us out, and we may be able to pull through.

Mr. TAWNEY. "If that is done?" Why do you not do it if it doesn't belong here?

Mr. SIMMONS. It has been customary to do it in that way for years.

Mr. TAWNEY. If your appropriation for stationery is getting short, I think you had better exercise your discretion and refuse to authorize payments out of this appropriation.

Mr. SIMMONS. That point was brought up, and the auditor agreed to let it go this year, but to make provision next year to transfer the item of \$2,000 to another appropriation. It is an absolutely necessary item, but there was no provision made for it in the miscellaneous appropriation.

POSTAGE.

Mr. BINGHAM. "For postage required to prepay matter addressed to Postal Union countries, and for postage for the Treasury Department." Do you use all that appropriation?

Mr. SIMMONS Yes, sir.

PURCHASING MATERIAL FOR BINDING IMPORTANT RECORDS.

Mr. BINGHAM. "For purchasing material for binding important records," the estimate is the same as the appropriation for this year?

Mr. SIMMONS. Yes, sir.

Mr. BINGHAM. What is the character of that material?

Mr. SIMMONS. It is leather, canvas, etc.

Mr. BINGHAM. Where is that binding done?

Mr. SIMMONS. In the Treasury. We have a little bindery with seven people employed in it.

NEWSPAPERS, NEWSPAPER CLIPPINGS, LAW BOOKS, ETC.

STATEMENT OF MR. WILLIAM M. IMLAY, ASSISTANT SUPERINTENDENT TREASURY DEPARTMENT:

Mr. BINGHAM. The first item in which you are interested is on page 99, "For newspapers, newspaper clippings, law books, etc.," and I notice that you have inserted some new language.

Mr. IMLAY. The usual practice is to pay subscriptions in advance, and it places us in a very embarrassing position to be continually corresponding with people about the payment of a small item of subscription.

Mr. TAWNEY. Is there any American publication that refuses to give the Government of the United States its publications and wait until the end of the year for payment?

Mr. IMLAY. Most all of them will enter into an argument as to why the Government should not pay its subscription in advance, the same as any individual.

Mr. BURLESON. And that necessitates a large amount of correspondence?

Mr. IMLAY. Yes, sir. I think there have been two or three publishers who have refused to "deliver the goods" until the money was forthcoming.

Mr. TAWNEY. I understand that the foreign publications will not sell to the Government or to anybody else without payment in advance and that provision has been allowed to some of the bureaus here as to foreign publications, but as to American publications the authority has never yet been given.

Mr. BURLESON. What character of newspaper clippings do you purchase?

Mr. IMLAY. We subscribe to two newspaper clipping bureaus.

Mr. TAWNEY. What are the subjects that you secure the clippings on?

Mr. IMLAY. The Secretary of the Treasury gets clippings on all business relating to the Treasury Department.

Mr. TAWNEY. Including personal matters?

Mr. IMLAY. I can not say as to that. The Comptroller of the Currency also has clippings especially relating to his bureau.

Mr. TAWNEY. You also have two or three men who go through the newspapers, read them, and clip from the newspapers, in addition to the clippings covered by this appropriation. You have a force of that kind?

Mr. IMLAY. Yes, sir.

Mr. LIVINGSTON. What appropriation are they paid from?

Mr. IMLAY. They are clerks.

Mr. BINGHAM. Do you subscribe for the papers?

Mr. IMLAY. Yes, sir. A large number of the papers that Mr. Tawney spoke of are sent free, but some of them will not send their papers free. We pay about \$100 for newspapers and financial reports.

Mr. BINGHAM. Which you subscribe for?

Mr. IMLAY. Yes, sir.

Mr. BINGHAM. You subscribe to two agencies?

Mr. IMLAY. Yes, sir.

Mr. BINGHAM. What have you to say about the law books?

Mr. IMLAY. We buy all the law books for the Treasury. We have never had enough money to buy all the law and other books necessary for the department. We have always been short. Several years ago, you will remember, this appropriation was \$1,200.

Mr. BINGHAM. Yes, sir; and we cut it down to \$1,000. Do you suffer any on account of the reduction?

Mr. IMLAY. Yes, sir. The Comptroller of the Treasury has several times made requisitions on us for very valuable works in connection with his law business and we were not able to furnish them. So have the Comptroller of the Currency and other bureaus of the department. They ask for legal books which we can not furnish under this appropriation.

Mr. TAWNEY. Why can not they go to some other library and get them?

Mr. IMLAY. They are books of continual reference.

Mr. TAWNEY. You have a law library in the solicitor's office kept up to date?

Mr. IMLAY. Yes, sir; by the Department of Justice.

Mr. TAWNEY. There are libraries in the Treasury available for any of the Treasury offices?

Mr. IMLAY. There is no general law library in the department. If the Comptroller of the Treasury wants a digest he can not very well run down to the solicitor's office every time he wants to look up a case or even a decision bearing on a case.

Mr. TAWNEY. Carried to its logical conclusion, your recommendation would necessitate a complete law library in all these various bureaus?

Mr. IMLAY. No. The division of customs, the Comptroller of the Treasury, the Comptroller of the Currency, and the auditing offices are the principal divisions of the department which require to be in constant touch with the different legal publications. We also buy the Washington City Directory, the Bankers' Directory, and the Federal Reporter. We pay out \$100 for the Federal Reporter.

Mr. TAWNEY. You keep up the Federal Reporter?

Mr. IMLAY. Yes, sir; in about four different divisions—the Comptroller of the Treasury, the Comptroller of the Currency, the division of customs, and I am not sure but that the auditing offices get them.

Mr. TAWNEY. Have you ever looked into this matter of the clippings taken from newspapers by persons detailed for that work?

Mr. IMLAY. No, sir; that is directly under the head of the department.

Mr. TAWNEY. You do not know what the character of the clippings is?

Mr. IMLAY. No; I can not tell you. They are under the direct supervision of the Secretary of the Treasury.

Mr. TAWNEY. If you subscribe to a newspaper-clipping bureau, the subjects on which you desire clippings are furnished by the bureau?

Mr. IMLAY. Yes, sir.

Mr. TAWNEY. I was wondering why that service would not be ample for the needs of the department. They could specify the sub-

jects that they desired information on or clippings in regard to. If they did that they would all be furnished by the clipping bureau, and there would be no necessity of maintaining a clerical force to read the newspapers and cut the clippings from the various newspapers that come into the department, and if that was done it would avoid duplication.

Mr. IMLAY. That is a small matter.

Mr. TAWNEY. I am told there are some three or four clerks on that work.

Mr. IMLAY. I mean that the subscriptions to the agencies is a small item.

The other books that we purchase are the Compendium of Passenger Rates, which is necessary in the different auditing offices; also the Supplement to the Compiled Statutes, the American Digest, and city directories.

UNIFORM SYSTEM OF RECEIVING, PAYING, AND ACCOUNTING FOR PUBLIC MONIES.

Mr. BINGHAM. What do you mean by the new language at the top of page 100? Why that large increase?

Mr. IMLAY. The Secretary is very desirous of establishing a uniform method of doing business at the various subtreasuries. Now there are no two of them doing business alike. When a subtreasury has been organized, they have simply, as I understand it, sent some blanks and blank books, and they have established the subtreasury as best they could. They have all been established according to the ideas of the men who then had the work in charge. I submit a memorandum that the assistant treasurer, Mr. Bantz, prepared for me to-day, and which fully explains the matter.

(Memorandum referred to follows:)

MEMORANDUM IN REGARD TO REORGANIZING THE METHODS OF DOING BUSINESS AT THE SEVERAL UNITED STATES SUBTREASURIES.

Such a reorganization is desirable because the manner of conducting business at the subtreasuries is not the same at any two offices. The reports that the offices are required to send to the department are in all cases identical in form, but the manner of arriving at the information they contain is practically everywhere different. As subtreasuries were established from time to time they were allowed to use any system of accounts that seemed good to them if such system enabled them to furnish the necessary reports to the department on forms furnished by the department; the systems used were rarely questioned. It is certainly desirable that all subtreasuries should keep the same books in the same manner and use the same system in transacting their business. This can only be accomplished by means of a committee authorized to arrange a system and to visit each subtreasury and to remain there long enough to put the system in full effect by training the force to the new way of keeping the books and records. Another reform that is needed is to have the employees doing the same class of work known by the same name at all subtreasuries and that the compensation for the same class of work be the same at all subtreasuries. There are a variety of names for people doing the same class of work and a corresponding variety of salaries for the same class of work. This will become in a measure apparent on inspection of the appropriations for the fiscal year 1909 for the subtreasuries. A committee for the purpose of carrying out the above-mentioned purpose would be in the interest of good administration and uniformity of practice.

Mr. TAWNEY. The Secretary of the Treasury has authority now for prescribing a uniform system in the subtreasuries?

Mr. IMLAY. I think he has the authority, but he has nothing to pay this committee that it is proposed to be appointed for the purpose of visiting the different subtreasuries and providing a more uniform method of doing business.

Mr. BINGHAM. That is what he wants with the \$9,500?

Mr. IMLAY. Yes, sir.

FREIGHT, EXPRESSAGE, TELEGRAPH AND TELEPHONE SERVICE.

Mr. BINGHAM. The next item is, "For freight, expressage, telegraph and telephone service, \$7,000." Do you expend all that appropriation?

Mr. IMLAY. Yes, sir. We did not have enough last year to run us through, and I think we asked for a deficiency.

Mr. TAWNEY. You did not get it.

Mr. IMLAY. The item appears on page 61 of the digest of appropriations for 1909. Three thousand five hundred dollars was allowed.

RENT OF BUILDINGS.

Mr. BINGHAM. Your estimate "For rent of buildings" is the same as last year?

Mr. IMLAY. Yes, sir.

Mr. BINGHAM. The buildings are under contract for what period?

Mr. IMLAY. For one year, the fiscal year.

Mr. BINGHAM. You simply renew the rentals?

Mr. IMLAY. Yes, sir.

HORSES AND WAGONS.

Mr. BINGHAM. Your estimate "for purchase of horses and wagons" is the same, \$3,500; there is no reduction?

Mr. IMLAY. No, sir. We have to purchase horses and wagons, and pay for shoeing, forage, and doctors' bills. We really need more.

Mr. TAWNEY. How many horses have you?

Mr. IMLAY. Nine, I think.

Mr. TAWNEY. Do you keep nine horses all the time?

Mr. IMLAY. Yes, sir; either eight or nine; I think it is nine.

Mr. TAWNEY. Does this include the cost of the feed?

Mr. IMLAY. Yes, sir; it includes all feed.

Mr. TAWNEY. And care?

Mr. IMLAY. Yes, sir, but not including salaries of employees.

FILE HOLDERS AND FILE CASES.

Mr. BINGHAM. "For purchase of file holders and file cases" you ask an increase of \$1,000. You are getting along very well?

Mr. IMLAY. No, sir. On my desk there are enough requisitions now where they are absolutely needed to wipe out all the money we have, and we have a stack of requisitions that we can not possibly fill. Recently there have been sent to the office of the auditor for the War Department for settlement large numbers of accounts of the Panama Canal and from the Philippine Islands, which have required many file boxes, file boards, and cabinets to properly handle the

accounts, and this has materially increased the demands upon this appropriation.

GAS, ELECTRIC CURRENT FOR LIGHTING AND POWER PURPOSES, ETC.

Mr. BINGHAM. In the next paragraph you ask for an increase of a thousand dollars. You have had \$17,000 for five years past, and why will not the \$17,000 answer for the next year?

Mr. IMLAY. Last year we ran to the very limit, and we had to cut off electric current wherever it was possible. We could not furnish current for fans where they were needed until the beginning of the fiscal year. June was a very hot month last year, and the people really suffered from the lack of fans in the inside rooms of the buildings where the ventilation is bad.

MISCELLANEOUS SUPPLIES.

Mr. BINGHAM. In the next item there is an increase of \$2,000.

Mr. TAWNEY. The toilet paper is included in that item?

Mr. IMLAY. Yes, sir. Mr. Simmons explained that to you. We have taken it up here with the idea that it would be taken off his appropriation.

Mr. TAWNEY. Is this toilet paper for all of the buildings of the Government?

Mr. IMLAY. Just the buildings here in Washington.

Mr. TAWNEY. In the Treasury Department alone?

Mr. IMLAY. The Treasury Department and all its branches here in Washington—the Winder Building, the Butler Building, and the Cox Building—all of them in Washington.

SHELVING AND TRANSFERRING RECORDS AND FILES.

Mr. BINGHAM. The next item is "For shelving and transferring records and files from and to the Treasury building and its annexes in Washington," \$1,000. Is not that work completed?

Mr. IMLAY. No. That is continually going on. We have to move out the files that are not current and store them in storage buildings. It is the transfer of records to and from the Treasury Department which is continually going on.

Mr. BINGHAM. Is that necessary?

Mr. IMLAY. Yes, sir; it is necessary.

PURCHASE AND EXCHANGE OF NUMBERING, ADDING, AND OTHER SIMILAR MACHINES.

Mr. BINGHAM. The next item is the same as last year?

Mr. IMLAY. Yes, sir. We also have many requisitions that we can not fill. They are absolutely necessary.

Mr. TAWNEY. You estimate for \$5,000?

Mr. IMLAY. Yes, sir; that is all.

Mr. BINGHAM. How many additional adding machines do you propose to buy?

Mr. IMLAY. The large electrical adding machine costs about \$380.

Mr. BINGHAM. They are a general commodity?

Mr. IMLAY. Yes, sir. There are also some simple computing machines which we buy for about \$200.

Mr. BINGHAM. They have a fixed rate?

Mr. IMLAY. Yes, sir; and they make a special rate for the government offices. The machine that costs the Government \$380 sells to the trade for about \$425 or \$450, I am not sure which.

Mr. TAWNEY. How many machines have you?

Mr. IMLAY. I can not tell you. They are scattered all through the department, principally in the different auditing offices and the treasurer's office, and the division of bookkeeping and warrants.

Mr. TAWNEY. The Auditor for the Post-Office Department has an estimate for his own adding machines?

Mr. IMLAY. Yes, sir; we do not take care of him.

CARPETS.

Mr. BINGHAM. The next paragraph is with reference to carpets, and last year you estimated for \$6,000 and we gave you \$4,000. Now, you ask for \$5,000. Is that needed?

Mr. IMLAY. Yes, sir; \$6,000 would more nearly come to filling the wants of the department. I think for a year and a half we have not been granted new carpets, except in extreme cases where they were absolutely worn out, threadbare.

Mr. BINGHAM. Has not the department a contract at certain figures?

Mr. IMLAY. Yes, sir; that is for the public buildings throughout the country, and we purchase the carpets under that contract.

FURNITURE, BOXES, BOOK RESTS, CHAIRS, ETC.

Mr. BINGHAM. The next item is "For purchase of furniture, etc.," \$10,000. Do you need all that money?

Mr. IMLAY. Yes, sir.

Mr. BINGHAM. That has been your allowance for several years?

Mr. BURLESON. Can not it be cut down?

Mr. IMLAY. No, sir.

THURSDAY, DECEMBER 3, 1908.

STATE, WAR, AND NAVY DEPARTMENT BUILDING.

STATEMENT OF COL. CHARLES S. BROMWELL, IN CHARGE OF PUBLIC BUILDINGS AND GROUNDS, ACCOMPANIED BY MR. R. A. DELLETT, CLERK IN OFFICE OF SUPERINTENDENT OF THE STATE, WAR, AND NAVY BUILDING.

Colonel BROMWELL. Gentlemen, I want to say that I am down here as a volunteer for Captain Poole, who is laid up in the hospital. I had charge of the building for a month or so while he was on leave this summer, and he thought that during that month I might have absorbed some details of the work and could speak of it here to-day. I have brought up with me the chief clerk, Mr. Dellett, who is acquainted with the minor details. The estimates were submitted by Captain Poole.

In reference to the consolidated estimates of the Mills Building and State, War, and Navy building I suggest to the committee that it would be a desirable thing to consolidate the estimates of these buildings under one head.

Mr. DELLETT. I think that consolidation was accepted last year in the appropriation for the year 1909. These appropriations were then all made in one provision.

Mr. COURTS. The Mills Building was transferred from under the Navy Department last session to this department, but for manifest reasons I think the committee wanted to maintain this Mills Building roster so that it would show for itself. When I came to examine the estimates this year I found they asked apparently for six engineers, without any indication of why there were only five last year, and I had to puzzle over it some time before I discovered that they had merged two paragraphs into one.

Mr. BURLESON. What did we do with that little item about the State Department annex?

Mr. COURTS. That is here. You take the estimates on their face this session and you would not know that there was any State Department annex at all, or that anybody was employed in the State Department annex.

Mr. GILLETT. I think we had better ask them to submit the estimates in the proper way.

Mr. COURTS. I followed the lines of the law, because that is what the law says shall be done, in the original preparation of the bill. I assume that these are simply the estimates that came to you. I put that note in to call attention to the matter.

Mr. BURLESON. I wanted to keep up with that State Department annex. It presented so many unique features last year that I was anxious to keep up with it.

Mr. COURTS. In preparing this bill I followed the law, and not the estimates, and I called attention to the fact that the estimates are not in accordance with the requirements of the law.

ONE CLERK OF CLASS 2.

Mr. BINGHAM. Now, if you will look at page 159, you raise a clerk from class 1 to class 2. What is the necessity for that increase?

Colonel BROMWELL. I have been told by the chief clerk, Mr. Dellett, that the salary was fixed many years ago, when only one wing of that building was open for occupancy and use, and ever since then the salary has been exactly the same, although the three other wings, comprising the Navy Department and the State Department, have been opened up in addition to the War Department, and the work has increased very materially. All of his immediate predecessors have found it impossible to live on the salary, and they have all been transferred to other places where they get higher salaries.

Mr. BINGHAM. Transferred with the consent of your superintendent?

Colonel BROMWELL. Yes. It is a position that is not considered to be a desirable one if a better one can be got. The compensation is not considered to be commensurate with the duties of the chief clerk.

Mr. BINGHAM. You suffer no inconveniences in your office?

Colonel BROMWELL. No, sir. The work is carried on just the same, without any regard to what the pay is.

Mr. BURLESON. The question is whether the fellow who does the work suffers any inconvenience, not the Government, in this case.

Mr. DELLETT. The present incumbent does suffer considerable inconvenience. He has a large family. I have six people to support, and \$100 per month will not support them. One hundred dollars is not sufficient to support them. As Colonel Bromwell has said, the former clerks left this position to accept higher positions in other offices, and this position is considered undesirable because the pay is not sufficient. I am the chief clerk, and am doing the work at this moment. I am the chief clerk of the office.

Mr. GILLETT. You are the only clerk?

Mr. DELLETT. Yes, sir; I am the only clerk.

Mr. BINGHAM. What is the character of the work that makes it unsatisfactory at the present compensation?

Mr. DELLETT. Keeping all the accounts, not only for purchases of supplies for the whole building, and for keeping up repairs and improvements in the building, but also keeping accounts and paying all the salaries of all the employees under the superintendent of the building, numbering about 228.

Mr. BINGHAM. Does that require an additional clerk?

Mr. DELLETT. I have all the work to do, and it is too pressing and too severe for one man to attend to it all.

Mr. BURLESON. If this salary were increased, do you think there would be a demand for a subordinate clerk? Of course, you know that when a salary is made high there is always a demand for a subordinate clerk to do the work?

Mr. DELLETT. If the salary were raised, there would be no request for a subordinate clerk.

Colonel BROMWELL. Since the other wings have been occupied the work has increased, but the salary has not been increased accordingly.

Mr. DELLETT. Formerly the employees did not number over 50; now they number 228.

CAPTAIN OF THE WATCH, AT \$1,400.

Mr. GILLETT. Does the same statement apply to the captain of the watch?

Colonel BROMWELL. The same applies to the captain of the watch. His salary was fixed when only one portion of the building was occupied. Since the other portions have been occupied his duties have considerably increased.

Mr. BURLESON. He is paid the same as other captains of the watch in other buildings?

Mr. DELLETT. The captain of the watch in the Treasury gets a higher salary, and in the library he gets a higher salary, and the captain of the watch in the Interior Department gets a higher salary. This man that we have told me he was drawing the lowest salary of any captain of the watch of any public building in the city.

Mr. BINGHAM. What is the usual compensation for captains of the watch in other departments? How long has the party who is there been captain of the watch?

Mr. DELLETT. He told me the other day, in speaking of something else, something which led me to think he was appointed late in the eighties.

Mr. BINGHAM. Then, in fact, it is not dissatisfaction with his compensation, but his long service that he claims more pay for?

Colonel BROMWELL. It is his long service and increase of duty. He has not only the Mills Building annex, but also the main building, where the compensation was fixed when only one wing of the building was opened for occupancy.

Mr. DELLETT. He has the supervision of the watchmen?

Colonel BROMWELL. The captain of the watch has supervision of the watchmen in the building.

Mr. BINGHAM. What is his line of work in addition to the supervision?

Colonel BROMWELL. He has charge of all the watchmen and all the officers.

Mr. DELLETT. There are 54 watchmen.

Colonel BROMWELL. Then he has practical charge of the sanitary and police regulations of the buildings.

Mr. DELLETT. He has charge of a certain number of laborers and also of all the charwomen.

STATE DEPARTMENT ANNEX—PRINTING, ETC.

Mr. BINGHAM. The State Department annex is the same?

Colonel BROMWELL. Yes.

Mr. BINGHAM. What is there in the next item, "Fuel, lights, printing, repairs, and miscellaneous items, including pay of emergency firemen and laborers?" What printing is there?

Mr. DELLETT. Last year we had considerable printing done at the Government Printing Office. We transferred the cost of that printing, or at least we drew a check, for several jobs that were done by the main Government Printing Office, and when the checks were presented to the auditor, and a letter of transfer presented therewith, he informed us that the money was not available for printing out of this appropriation for fuel, lights, etc., and consequently we could not pay our bills. We are now in debt for our printing in the neighborhood of \$100, probably.

Colonel BROMWELL. What kind of printing was it?

Mr. DELLETT. The printing was for calendars for the building, the annual calendars that we have every year. They are printed every year by the Government Printing Office.

Mr. GILLET. That is in the State Department annex?

Mr. DELLETT. No; under the State, War, and Navy building. There were a number of jobs, and last year the forms of the vouchers and other blanks were changed and printed at the Government Printing Office, and when we came to transfer the money to pay those bills the auditor said our money for fuel and lights was not available for that, and consequently the bills could not be paid. We owe them a trifle over \$100.

Mr. BINGHAM. What is this calendar?

Mr. DELLETT. Simply a calendar gotten out by every public building in the city.

Colonel BROMWELL. To hang in the rooms.

Mr. BINGHAM. Containing the months and days?

Mr. DELLETT. Yes; like that over there [indicating on wall]; only instead of having the Capitol on it we wanted a picture showing the State, War, and Navy building. This year we found we could not have those because the title of our appropriation did not contain the word "printing."

Mr. GILLETT. What does each building need a calendar for? You can buy them for 50 cents anywhere.

Mr. DELLETT. Yes. The insurance companies give them away. Ever since Admiral Baird was in charge of the building we have gotten out those calendars, usually 40 or 45 calendars, and they are distributed throughout the building.

Mr. GILLETT. How much do the calendars cost?

Mr. DELLETT. About \$15. Cutting them out is simply the breaking off of a custom that has been in vogue for a number of years.

Mr. BINGHAM. Perhaps it is a custom that ought not to be encouraged.

Colonel BROMWELL. This department has no printing allowance. There are certain vouchers and forms that have to be charged up to this department when printed at the Government Printing Office. Of course the question of calendars is a mere detail.

Mr. BINGHAM. It seems such a Christmas gratuity that it ought not to be included.

EMERGENCY LABOR FORCE.

Now, what do you mean by emergencies in the laboring force?

Mr. DELLETT. There are times during each year when our regular labor force is not capable of performing the duties required of them—times when we need extra force.

Mr. BINGHAM. How much of a laboring force have you?

Mr. DELLETT. We have about 20.

Colonel BROMWELL. You mean engineers and mechanics and everybody?

Mr. DELLETT. No; unskilled laborers; 22 unskilled laborers. We often have to employ extra help in times of accident and emergency. It is simply to provide in advance for extra help when we have a breakdown or an accident at any time.

Mr. BINGHAM. When your regular force can not do it?

Mr. DELLETT. Yes, sir.

Mr. BINGHAM. How much does that amount to annually?

Mr. DELLETT. It varies.

Colonel BROMWELL. How much was it last year?

Mr. DELLETT. It was somewhere about \$400 last year.

Colonel BROMWELL. That is not asking for any increase. It is simply taking the payment out of this appropriation.

Mr. BINGHAM. But there is no limitation to it. If it is \$400 this year, it may be \$2,000 next year.

Colonel BROMWELL. Whatever they pay for that, they have that much less to pay for other things. This is simply to include the necessary authorization.

Mr. BINGHAM. Whenever you go to any extent in an unlimited privilege, you can go to a greater extent.

Colonel BROMWELL. If they pay more than \$500 next year, they will have that much less for the work under regular appropriation.

Mr. BINGHAM. I think we understand.

FREIGHT ELEVATOR.

We have come now to the item for installing 1 freight elevator, \$9,500. That is a new item?

Colonel BROMWELL. That is a new item. In the State, War, and Navy building there are 9 elevators. There are 4 in the west wing, 2 in the north wing, 2 in the east wing, and 1 in the south wing. Eight of those elevators are strictly passenger elevators. They are of the small size, $3\frac{1}{2}$ by $4\frac{1}{2}$ and 7 feet high, and the width of the doors is only about 20 inches, so that they can be used only for passenger service. There is, however, in the east wing, one elevator which is about 6 by 7 feet and 9 feet in height, with a door about 4 feet wide. That has been used for carrying the heavy freight in the building. As a matter of fact, its capacity is only 2,000 pounds. Its dimensions are too small to handle many of the packages that we have to receive and distribute there. In many cases it is necessary to erect a block and fall to take them up from one floor to the other.

Mr. GILLETT. What kind of packages do you have to rig up that for?

Colonel BROMWELL. Such things as safes.

Mr. GILLETT. Would any elevator be strong enough to take up a safe? Would they be strong enough?

Colonel BROMWELL. Of course it depends on the weight of the safe. Most of the safes there are of the smaller size.

Mr. BINGHAM. You have one freight elevator capable of handling everything?

Colonel BROMWELL. No; it is not capable of handling everything.

Mr. LIVINGSTON. They want an elevator that will handle everything.

Colonel BROMWELL. This has an opening in the door of 4 feet.

Mr. GILLETT. It would be easy enough to increase the size of the door, would it not?

Mr. BURLESON. What does it cost the Government per annum because of the fact that we have not got this elevator?

Colonel BROMWELL. That is hard to say.

Mr. BURLESON. Don't you think we ought to know that before we make an expenditure of \$10,000? Suppose it costs the Government about \$10 or \$50 a year by reason of the fact that we have not got this elevator?

Colonel BROMWELL. I should say it costs the Government at least \$100 a year; at least that much. This freight elevator is located right next to the office of the Secretary of the Navy. The handling of the freight and the passing of the elevator up and down causes a great deal of inconvenience to the Secretary of the Navy. Last summer, when I was in temporary charge of the building, the Secretary of the Navy directed me to stop the handling of the freight in that elevator.

Mr. GILLETT. He was in a nervous condition then?

Colonel BROMWELL. Yes; but finally, after some discussion with him, I finally got him to allot two hours in the day, when he would be absent from his office, in which we could handle the freight, and then I directed that one of the passenger elevators should be used as much as possible. That elevator is used at least two hours a day in handling heavy freight and heavy boxes and baskets containing a number of smaller packages.

Mr. BURLESON. Where will you locate the new elevator?

Colonel BROMWELL. On the outside of the building, on the north court. It will be built as a sort of little projection.

Mr. BURLESON. Close to what office?

Colonel BROMWELL. It will be located on the south side of the north court of the building, so that the freight can be delivered in the courtyard, right at the foot of the elevator, and taken up in the elevator and delivered on the various floors of the building directly, so that the freight will not have to enter the building until it is delivered through the elevator. That will be a great convenience.

Mr. GILLETT. What kind of freight do you have?

Colonel BROMWELL. Supplies of all kinds; and they come in packages of all sizes and weights. Now all these packages have to be carried through the corridors of the basement.

Mr. BURLESON. You have got the men in there to do it?

Colonel BROMWELL. Of course we have got the men to do it, but there is noise and confusion.

Mr. BURLESON. If you had this elevator could you dispense with the services of some of those messengers and laborers?

Colonel BROMWELL. We do not pay those messengers or laborers for handling those supplies.

Mr. DELLETT. No; those laborers are not paid for handling the supplies; they simply have to manipulate the elevators. A great many articles handled in these elevators are file cases and wardrobes, and things like that.

Mr. GILLETT. That can not happen very often?

Mr. DELLETT. It happens with all the branches and offices of the building frequently.

Mr. GILLETT. What do you take wardrobes out for?

Mr. DELLETT. We take them down to the carpenter shop in the sub-basement and have them repaired and then sent back.

Mr. BURLESON. Are you going to abandon the old passenger elevator?

Mr. DELLETT. We will use it as a passenger elevator and use the other for freight.

Colonel BROMWELL. We have to steal time from it for freight that ought to be used in carrying passengers.

Mr. BINGHAM. You want a distinctly new freight elevator?

Colonel BROMWELL. Yes, sir.

Mr. BINGHAM. Does this figure of \$9,500 carry every possible expense with reference to the work, for the accommodation of power and all that, pertaining to the elevator?

Colonel BROMWELL. I do not know that, because Captain Poole submitted that estimate, but I have every reason to believe that it does, that that will be the total cost of installing the elevator used exclusively for freight, which will release this elevator now that is partially used for freight.

Mr. BINGHAM. Are not your other elevators used also for freight?

Colonel BROMWELL. Only to a certain extent.

Mr. BINGHAM. I think I do not strike a department where elevators are not used for freight for convenience.

Colonel BROMWELL. Not to any great extent.

Mr. BINGHAM. How much additional force would you require for the elevator?

Mr. BURLESON. You will have to have additional force, certainly.

Colonel BROMWELL. You might have need of an additional conductor. You would only use it during eight hours, during the daytime, but it is more than likely that the conductors already there, when there is a slack time, can serve on that. Between half past 9 and after 12 o'clock they are not supposed to be working so hard.

Mr. BURLESON. Now, Colonel, you propose to pay that conductor \$720 a year. Three per cent on \$10,000 is \$300, and \$300 plus \$720 is \$1,020, that you are going to spend in order to save \$100. Is that it?

Colonel BROMWELL. Also to save a great deal of annoyance and inconvenience to the officials in the building.

Mr. BURLESON. We are \$50,000,000 behind now, Colonel.

Mr. DELLETT. In regard to that elevator, there is no extra conductor asked for. It will not increase the number of the conductors at all, because an elevator conductor works two or three hours, and is off an hour, and then goes on. Now, this freight elevator can be worked by the conductor on a relief. The freight elevator will only run during office hours. It is not like a passenger elevator that is up and down and has to be worked before and after office hours and make unlimited trips. The freight elevator will make limited trips. In connection with this block and fall there is a danger, when heavy articles are being raised in the stair shafts—that is, the shafts where the stairways are located—of an accident. There is constant danger to people passing in and out.

Mr. BINGHAM. I understand that. What freighting can you carry on an ordinary passenger elevator?

Mr. DELLETT. For almost all the offices in the War Department and in the Navy Department, and in the State Department have, in connection with their furniture, a safe. Some of them have two or three safes.

Mr. BINGHAM. But safes once located in a room, they are there for several years, are they not?

Mr. DELLETT. There is no telling when we would have to take a safe down. We may not have to take one out in a year, and then in another year we might have to take 12 of them out. We have had, on several occasions, to rig up this block and fall just for the safes.

Mr. BURLESON. That does not cost much. A business man does that.

Mr. DELLETT. Yes; but if we have an elevator of sufficient capacity to hold this safe, it would be done with the least annoyance and confusion in the building. People complain of the confusion in the corridors, which is always necessary when they move heavy articles.

PAINTING.

Mr. BINGHAM. The next item is for painting corridors, window frames, and so forth, \$21,500. Have you received detailed estimates on that?

Colonel BROMWELL. Yes, sir.

Mr. BINGHAM. How long since preceding painting, and so forth, has been done there?

Colonel BROMWELL. In the note here it is stated that some of the window frames and door frames have never been painted since the building was completed.

Mr. DELLETT. The majority of them have never been painted since the building was occupied.

Mr. BINGHAM. How many years?

Colonel BROMWELL. Something over 20 or 25 years.

Mr. BINGHAM. Are they of iron?

Colonel BROMWELL. Yes, sir.

Mr. BINGHAM. Are they giving evidences of corroding?

Colonel BROMWELL. Yes. There are 1,500 window frames and 1,300 door frames and 5,000 feet of corridors.

Mr. DELLETT. That is linear feet, not surface measure.

Mr. BURLESON. I understand that.

Mr. LIVINGSTON. Are they exposed to dampness?

Mr. DELLETT. The outside window frames are exposed to dampness.

Mr. BURLESON. How does he reach that estimate of \$21,500? Did he have anybody make a bid on it?

Mr. DELLETT. Captain Poole inquired of painters what the cost would be, and they submitted estimates; and, approximating the various bids of these painters, he bases his estimate on the approximate cost.

Mr. GILLETT. This does not include the painting of the inside of the rooms?

Mr. DELLETT. No, sir.

Mr. GILLETT. Why do not the insides of the rooms need it, too?

Mr. BURLESON. They are plastered.

Mr. DELLETT. They are painted and repaired outside of that, as the occupants of the rooms call for it.

Mr. TAWNEY. What are your painters in the department doing?

Mr. DELLETT. They consist of one painter and one assistant.

Mr. TAWNEY. What are they doing?

Mr. DELLETT. They are doing these rooms.

Mr. TAWNEY. Why do they not paint the corridors?

Mr. DELLETT. I do not know how long it would take two painters to paint the corridors. It keeps them busy to paint the rooms. This year the chief painter did not get any leave at all.

Colonel BROMWELL. It keeps them busy painting the rooms, without counting the corridors.

Mr. LIVINGSTON. I understand, Colonel, that the purpose of painting these doors and frames is to preserve them?

Colonel BROMWELL. Yes, sir.

REMOVAL OF THE OLD PENNSYLVANIA RAILROAD STATION.

Mr. BURLESON. Did you not ask in the last bill for a watchman or custodian for the old Pennsylvania Railroad station?

Colonel BROMWELL. I think I did; yes.

Mr. BURLESON. We made the appropriation, did we not?

Mr. TAWNEY. And the authorization?

Mr. BURLESON. Yes. We made the authorization and the appropriation?

Colonel BROMWELL. I think so; but I have not had any occasion to use it, because I have torn down the railroad station.

Mr. BURLESON. What! Torn down the railroad station?

Colonel BROMWELL. Yes, sir.

Mr. BURLESON. By what authority did you tear down the railroad station?

Colonel BROMWELL. By authority of the President of the United States.

Mr. BURLESON. Where did you get the money for that?

Colonel BROMWELL. We advertised for the removal of the building and for the removal of the materials, the contractor receiving all the old materials in the building.

Mr. BURLESON. Who directed you to do that?

Colonel BROMWELL. The President of the United States.

Mr. LIVINGSTON (addressing Mr. Burleson). Does that satisfy you? [Laughter.]

Colonel BROMWELL. That satisfied me. [Laughter.] I got a written order.

Mr. BURLESON. That was the sole authority for the destruction of that building?

Colonel BROMWELL. Yes, sir; that was my authority.

Mr. GILLET. Did the Government own that building?

Colonel BROMWELL. The railroad built it, but when they abandoned it they turned it over to the Government of the United States.

Mr. LIVINGSTON. It was a contract between the railroad and the Government.

Mr. TAWNEY. The terms under which the building was torn down amounted practically to a sale of the building?

Colonel BROMWELL. Practically.

Mr. TAWNEY. That is what it practically amounted to?

Colonel BROMWELL. Yes, sir.

Mr. TAWNEY. Do you know of any law on the statute books that authorizes any executive officer to sell any of the property of the United States of that character, real estate?

Colonel BROMWELL. No, sir. I called the attention of the higher authorities to that fact, and I received an order to tear the building down.

Mr. BURLESON. Did you look for an appropriation out of which the expense of tearing down that building could be defrayed? Did you look to the law?

Colonel BROMWELL. I was not put to any expense. In fact, I sold the material, I think, for a thousand dollars. I received a bid of a thousand dollars for tearing down the building and train shed, and one of the provisos was that the contractor should have all the old material. I was put to no expense whatever.

Mr. GILLET. The Government got \$1,000 extra out of it?

Colonel BROMWELL. Yes, sir.

Mr. BURLESON. Approximately what was the cost of that building, the erection of it? Just make a guess.

Colonel BROMWELL. I suppose when the building and train sheds were erected they must have cost in the neighborhood of \$25,000 or \$30,000.

Mr. TAWNEY. When it was built it was built for probably 50 per cent less than it could be built now.

Mr. BURLESON. It was a three-story building.

Colonel BROMWELL. It was a two-story building. There was no basement to speak of. There was just a little cellar.

Mr. TAWNEY. They had pilings there, I understand?

Colonel BROMWELL. I do not know about that.

Mr. LIVINGSTON. It was only a shed?

Mr. GILLET. No, it was quite a building.

Mr. BURLESON. It was a three-story building.

Mr. TAWNEY. How many bricks were there in the building?

Colonel BROMWELL. About 350,000, I should say.

Mr. LIVINGSTON. What does brick cost the Government?

Mr. TAWNEY. About \$10 a thousand.

Mr. LIVINGSTON. The whole thing?

Colonel BROMWELL. It cost the Government nothing, and in addition to that we got about \$1,000.

Mr. LIVINGSTON. Did you sell the stuff?

Colonel BROMWELL. Yes; and we got the building torn down.

Mr. TAWNEY. Was the building in use by the Government at the time it was torn down?

Colonel BROMWELL. No, sir.

Mr. BURLESON. When you asked for this appropriation for a watchman you intended to use it for storage purposes. A lot of buildings are rented now for storage purposes throughout the city.

Colonel BROMWELL. The building was under my jurisdiction, and I thought I ought to have a watchman to take charge of it while it was under my jurisdiction. Tramps and people might go there to sleep and endanger the safety of the building.

Mr. TAWNEY. Was not the War Department about to use it for storage purposes?

Mr. GILLET. It might have been used in that way.

Mr. BURLESON. A large number of rented buildings are used for storage purposes in the city?

Colonel BROMWELL. Yes.

Mr. LIVINGSTON. Did the President say why he wanted the building removed?

Mr. TAWNEY. Was there any necessity for the removal of the building?

Mr. BURLESON. Was it not torn down to improve the perspective?

Mr. TAWNEY. I would like to have that question answered—what was the necessity for the removal? I am not criticising anybody.

Colonel BROMWELL. I know of no immediate necessity for its removal. Personally I am very glad it was done.

Mr. TAWNEY. The people in the District wanted it removed, did they not?

Colonel BROMWELL. I do not know what the people in the District wanted. I think it adds a great deal to the general improvement to get that building out of the way. It was an old building, and the old train shed there was an eyesore in that part of town.

Mr. TAWNEY. The principal part of the eyesore was the train shed?

Colonel BROMWELL. Yes, but the building encroached on the parking space, and I do not think the building itself was good for much. It was nothing but a shell of a building and unsuitable for most purposes. If it had been used for offices it would have had to have heating and lighting plants installed in it and the floors strengthened.

Mr. BURLESON. But if it had been used for storage it could have been used to good purpose and great economy to the Government. It would have saved the rent of some of these buildings that we are renting now, would it not?

Colonel BROMWELL. It might, and then it might not.

Mr. BURLESON. Well, we will let it go at that.

WEDNESDAY, DECEMBER 2, 1908.

NAVY DEPARTMENT.

OFFICE OF THE SOLICITOR.

STATEMENT OF MR. EDWIN P. HANNA, SOLICITOR.

Mr. BINGHAM. Your first suggestion is a second law clerk, at \$2,250. That is additional?

Mr. HANNA. Yes, sir.

Mr. BINGHAM. Give us some reasons why the committee should consider that favorably.

Mr. HANNA. I can do that in a moment. The business of the Navy Department has been growing so that in that office we have been obliged to work practically every night during the past year. One man in the office has worked practically every night, and I myself have worked every night for weeks at a stretch. It is a strain on us, and we thought we would appeal to you gentlemen merely on account of the development in our enormous contracts. They are so complicated and require so much attention in detail, and it is so important to the Government that all the details of these intricate contracts should be watched.

Mr. BINGHAM. In the matter of appropriations, do all expenditures for new vessels, and so forth, go to you?

Mr. HANNA. Yes. We handle all that work, and also contracts for substantially all public works under the navy, of every name and nature, dry docks, and everything else, and the building of ships, of course.

Mr. BINGHAM. What has been your increase in recent years, so far as numbers run?

Mr. HANNA. In numbers we have had one additional man, whom you kindly gave us last year.

Mr. BINGHAM. What was he?

Mr. HANNA. A \$2,500 law clerk.

Mr. BINGHAM. You are still overworked?

Mr. HANNA. Yes.

Mr. BINGHAM. Did we give you last year what you asked for?

Mr. HANNA. No, sir. Last year we asked for two law clerks and for two stenographers. This year we had not the assurance to ask you for two stenographers, although we need them, but have asked for just one man.

Mr. BINGHAM. Will this be a new man, or a promotion?

Mr. HANNA. I do not know. The Secretary will have to determine that.

Mr. LIVINGSTON. Is there no one that you can drop, that is not very efficient in getting this man?

Mr. HANNA. No, sir. Every man in that office is working on the keen jump.

Mr. TAWNEY. At the request of the Secretary I looked into this matter last week, and I am satisfied they ought to have it. There is no doubt about it at all.

Mr. BURLESON. Prior to last year you were under the Judge-Advocate-General?

Mr. HANNA. Yes, sir.

Mr. BURLESON. You have been lifted from under the Judge-Advocate-General, and he asks for an \$1,800 man and you ask for a \$2,000 man; and I also see a request has come in for law books in your office and under his office.

Mr. HANNA. The offices are entirely separate.

Mr. BURLESON. Yes; but you are starting two libraries there. You are very close to each other, are you not?

Mr. HANNA. Yes, sir.

Mr. BURLESON. You could take a few steps and go from one office to the other, could you not?

Mr. HANNA. Yes.

Mr. BURLESON. A lawyer will frequently walk to a fellow lawyer's office for a law book, will he not? These department people are not so terribly overworked that that will bring about a serious injury to the Government, are they?

Mr. HANNA. As to that item, it is not vital to us. It would be a good thing, of course. It is a good thing to have the books close at hand.

Mr. TAWNEY. In answer to Mr. Burleson, is it not also true that when a lawyer has sufficiently established himself in the practice of the law and his time is worth anything, and he is being paid for it by his clients, he usually has all the law library he needs in his own office?

Mr. HANNA. Yes; and a much better one than I have got.

Mr. BURLESON. And if he is lawyer that amounts to anything at all, he frequently has to go to other libraries to look at books, notwithstanding he has a fine library of his own.

Mr. HANNA. You are not imagining that we expect to get a law library for \$250, are you?

Mr. BURLESON. No; but I imagine this is a very good start for a law library.

Mr. TAWNEY. Can you give us any idea, Mr. Hanna, of the proportion of the naval appropriations that are expended under contracts made in your office, as compared with the amount of the appropriations that are expended under the jurisdiction of the Judge-Advocate-General's office?

Mr. HANNA. Oh, yes. I could give you the figures pretty closely.

Mr. TAWNEY. Approximately.

Mr. HANNA. Approximately, under the Judge-Advocate-General's office there is not much expended from naval appropriations. Under our contracts, of course, if you take the figures, they would be enormous—\$6,000,000 for a single ship, and so on.

Mr. TAWNEY. One hundred and twenty-nine million dollars was appropriated for the current year in the naval appropriation bill. Would it be safe to say that \$100,000,000 is expended under contracts prepared in your office?

Mr. HANNA. from \$75,000,000 to \$100,000,000. Yesterday morning there was a contract presented involving a slight change in a detail of manufacture. One of the law clerks brought attention to it, and I asked him how much that involved, and he answered, "\$100,000,000." Those things are happening often, and I feel we need more help there for safe work.

Mr. BINGHAM. You ask for law books, books of reference, and periodicals of a legal character, \$200. Why can not that come out of the contingent expense account for the department, where we have been giving \$2,000?

Mr. HANNA. The comptroller will not let us do it.

Mr. BINGHAM. This is the provision of the proposed change: "For books and periodicals, including professional and technical books and periodicals, law books, and necessary reference books for department library, \$2,000." Are you a department library?

Mr. HANNA. We can be.

Mr. BINGHAM. Then that would cover this request?

Mr. HANNA. Yes.

OFFICE OF JUDGE-ADVOCATE-GENERAL.

STATEMENT OF CAPTAIN EDWARD H. CAMPBELL, JUDGE-ADVOCATE-GENERAL, UNITED STATES NAVY.

Mr. BINGHAM. You ask for an additional chief clerk at \$1,800?

Captain CAMPBELL. That is an additional clerk; yes, sir.

Mr. BINGHAM. What do you call the clerk at the head of your office now?

Captain CAMPBELL. He is simply a clerk.

Mr. BINGHAM. He is called in the current appropriation, "One clerk at \$1,300?"

Captain CAMPBELL. Yes, sir.

Mr. BINGHAM. Why do you need for your limited force a chief clerk at \$1,800?

Captain CAMPBELL. We do not necessarily need that he be called a chief clerk. The idea is that this \$1,300 clerk, who is doing important work of a legal nature, and doing it well, should receive higher compensation.

Mr. BINGHAM. In other words, you want an additional clerk, and your purpose is to promote this man now receiving \$1,300 to \$1,800?

Captain CAMPBELL. Yes, sir; that is the purpose, unless I could get some one better. He has had experience for several years in the office, and I know of no one who could do his work at present, no officer and no clerk.

Mr. BINGHAM. And you need an additional clerk?

Captain CAMPBELL. Yes, sir; more than one. If you will permit me, I would like to tell you the status of the work in the office this morning. The work is away behind. It is absolutely impossible to keep up with the work at the present time.

Mr. LIVINGSTON. What is the cause of that?

Captain CAMPBELL. Primarily, the large number of courts-martial.

Mr. LIVINGSTON. I see that in the report, but what causes that increase?

Captain CAMPBELL. The increase in the personnel.

Mr. LIVINGSTON. Is it intoxication, or something of that kind?

Captain CAMPBELL. Most of the general courts-martial are for desertion.

Mr. BURLESON. They do not waste much time in considering the case of desertion of a sailor, do they? Is it not very complicated work?

Captain CAMPBELL. The cases are reviewed in this office here, and of course in considering those cases tried by courts the members of which are not well up in legal matters the cases have to be reviewed carefully to see that the proceedings, findings, and sentence are in legal form. There is recording to be done, letters to be written, and other incidental work in connection with each case. We get through with about ten or twelve cases in a day.

Mr. BURLESON. How many cases are pending at the present time?

Captain CAMPBELL. At the present time we have reports on hand for which charges must be drawn up in 79 cases. That is this morning. All those 79 men are prisoners waiting to have charges made so that they can be tried. The most that we have ever gotten off in one day is 17.

Mr. BURLESON. How many men have you preparing those charges?

Captain CAMPBELL. One officer and one clerk.

Mr. BURLESON. My dear sir, the charges of that character are somewhat similar to an indictment drawn by a prosecuting officer, or a district attorney, in the prosecution of felony cases. I was a district attorney myself for eight years, and I have drawn 75 indictments in one day, and any other efficient and competent man can do the same thing. Will you tell me why a man can not draw more than 17 of these charges in a day?

Captain CAMPBELL. The officer has to go through all the papers transmitted with the original report against the man and get all the various data in connection with the case. Of course we can not afford to make any mistake in these things. The data has to be gotten together and put in proper shape in the specification and then is typewritten by the clerk. The clerk who does the typewriting has drawn up some of these charges and specifications. Records have to be kept and many other incidentals that consume time. If I had another clerk to do the typewriting, we could probably double the output. We have very efficient men, and at the present time 17 a day is about the limit.

Mr. BURLESON. The duties of your bureau pertain exclusively to courts-martial of officers and sailors of the navy?

Captain CAMPBELL. No, sir; that is not the sole duty of the office. The duties, as laid down by law and by order of the President, are as follows:

The duties of the Judge-Advocate-General of the Navy shall be as follows: To revise, report upon, and have recorded the proceedings of all courts-martial, courts of inquiry, and boards for the examination of officers for retirement and promotion in the naval service; to prepare charges and specifications for courts-martial, and the necessary orders convening courts-martial, in cases where such courts are ordered by the Secretary of the Navy; to prepare general orders promulgating the final action of the reviewing authority in court-martial cases; to prepare the necessary orders convening courts of inquiry and boards for the examination of officers for promotion and retirement, and for the examination of candidates for appointment as commissioned officers in the Navy other than midshipmen, and to conduct all official correspondence relating to such courts and boards.

It shall also be the duty of the Judge-Advocate-General to examine and report upon all questions relating to the construction of the regulations, including those relating to rank and precedence, promotions, and retirements, and those relating

to the validity of the proceedings in court-martial cases; all matters relating to the supervision and control of naval prisons and prisoners; the removal of the mark of desertion; the correction of records of service and reporting thereupon in the Regular or Volunteer Navy; certification of discharge in true name; pardons; bills and resolutions introduced in Congress relating to the personnel and referred to the department for report; references to the Comptroller of the Treasury with regard to pay and allowances of the personnel; questions involving points of law concerning the personnel, and to conduct the correspondence respecting the foregoing duties.

Mr. BURLESON. To do that you have a judge-advocate and seven clerks?

Captain CAMPBELL. Four officers and six clerks. One of those clerks carried on the rolls of this office is on duty in the office of the solicitor. I have six clerks.

Mr. BURLESON. When was the transfer made to the office of the solicitor?

Captain CAMPBELL. Last year, when the appropriation bill was passed, the top clerk in my rolls was acting as file clerk at \$1,300. In order to give him a promotion he was transferred to the rolls of the solicitor at \$1,400, and the vacancy in the solicitor's office at \$1,200 was taken up on my rolls.

Mr. BURLESON. Then you have got your seven clerks?

Captain CAMPBELL. This file clerk for my office was promoted. He also acts as file clerk for the solicitor's office, and he is actually serving in the Secretary's office. There is no more reason why he should be carried on my roll than on the solicitor's roll. His proper place would be in the Secretary's office roll. We actually have 6 clerks; 5 of them are employed on court-martial work, and the other man does as much of the other work as he can in the office. One of the officers does all of his own typewriting, for lack of a clerk to do it; a \$4,000 man doing a \$1,000 man's work in order to expedite the work of the office. Besides those 79 charges waiting to be drawn up there are 87 court-martial cases to be reviewed. Each one of those requires the writing of four letters. The first page of the letters is largely the same, and of course they can be made in quadruplicate. The rest of the pages have to be written separately. These letters, with the necessary recording and binding of cases and other matters, take up time. We have now 649 summary court-martial cases awaiting final action. They come to this office for final review, and where a sentence includes loss of pay, the law requires that action be taken by the Secretary. We work off about 30 of those in a day. The last mail from the battle-ship fleet brought in 208 of those cases. The average coming in from the navy-yards and ships around here now is about 30. We can about keep up with what comes in from here while the fleet is away, but we can not keep up with what additional comes in from the fleet.

Mr. BINGHAM. Has the trip of the fleet around the world increased your work in your judge-advocate's bureau?

Captain CAMPBELL. I think it has not.

Mr. BURLESON. It ought to lessen it, as a matter of fact?

Captain CAMPBELL. Yes. A great many of the general courts-martial that would possibly have been ordered by the Secretary have been ordered by the commander in chief. Of course they all come to this office for final filing. The fleet will soon be back again and the work will be increased.

LAW BOOKS, ETC.

Mr. BINGHAM. You also have an estimate for law books and books of reference of a legal character, \$100. If you will turn to page 182 you will observe that for contingent expenses of the Navy Department, "for books and periodicals, including professional and technical books and periodicals, law books, and necessary reference books for department library," there is an estimate of \$2,000. If the committee should determine to approve the changes in that, you will not require this \$100 because the comptroller will not rule against you should you make an item for the expenditure in your own office. The solicitor made that statement a few moments ago. He asked for \$200, and he said that under the action of the committee approving this expense account of \$2,000 we could set aside the \$200 needed.

Captain CAMPBELL. This year we could not get it from the appropriation.

Mr. BINGHAM. You could not get it from this appropriation this year. This runs into effect next year.

Captain CAMPBELL. I have here a letter from the Secretary which he asked me to bring down. In the division of the Judge-Advocate-General's office last year, making two offices out of it, the office of the Judge-Advocate-General and the office of the solicitor, the old provision that the solicitor should act in the absence of the Judge-Advocate-General remained. That provision now makes complications. If I am away, the solicitor, who is not familiar with the status of the work in my office, acts, and it delays matters a great deal. It is not the most efficient way of carrying on the work, and the Secretary asks to have that provision stricken out, so that the senior officer in the office could act in my absence.

Mr. COURTS. It is noted in the estimates to omit that language.

Mr. BURLESON. You mean the senior clerk in your office?

Captain CAMPBELL. The senior officer. There are four officers as assistants. It means the senior officer.

Mr. BURLESON. That will be all right. There will be no increase of pay for him?

Captain CAMPBELL. No. It will be simply to have some one familiar with the work in the office to take the place. We absolutely need another clerk in there in order to carry on the work.

NAVY DEPARTMENT,
Washington, December 2, 1908.

SIR: In your consideration of the legislative, executive, and judicial appropriation bill for this year, I have to recommend that the provision inserted in last year's bill, at the time the office of the Judge-Advocate-General was separated into two offices, namely, the office of the Judge-Advocate-General and the office of the Solicitor, wherein it was stipulated that the Solicitor should act as Judge-Advocate-General in the absence of the latter, be so amended that the Acting Judge-Advocate-General may be an officer serving in that office. The present arrangement is found to be very unsatisfactory.

Very respectfully,

TRUMAN H. NEWBERRY,
Secretary.

CHAIRMAN COMMITTEE ON APPROPRIATIONS,
House of Representatives.

BUREAU OF NAVIGATION.

STATEMENT OF CAPTAIN M. R. USHER, ACCOMPANIED BY MR. E. W. CALLAHAN, CHIEF CLERK.

Mr. BINGHAM. You suggest several changes in your clerical force. You estimate for 10 clerks of class 1 instead of 6, 14 clerks at \$1,000 each instead of 13, 8 copyists instead of 5, and 4 assistant messengers instead of 2. Please give us the reason for those increases.

Captain USHER. Those are to provide for work which has accumulated and which now exceeds the power of the force supplied to carry on satisfactorily.

Mr. BINGHAM. Your work is not up current?

Captain USHER. No, sir. It is a makeshift in order to be able to carry on the daily work so that we can handle the mail received. The mailing room, the division of enlisted men, and the division of officers are particularly pressed. We have not enough people to carry on the work, and some of the work has to be deferred until such time as it can be done.

Mr. TAWNEY. Is the navy personnel now recruited up to its maximum?

Captain USHER. No, sir. We have a little over 43,000 men, and the maximum is 44,500. We have not the maximum, but very soon we will arrive at it.

Mr. TAWNEY. How near current is your work?

Captain USHER. The work is considerably behind in the division of enlisted men—caring for their records. In the handling of the records for the officers where things can be put back so that we can keep the daily mail as near current as possible we do that. Then there are various miscellaneous works that can be set aside from day to day. For instance, we have not been able to send out the medals.

Mr. CALLAHAN. The certificates have been delayed as much as nine months, but we have now gradually reduced it to seven months.

Mr. TAWNEY. Does the fact that you have only two messengers delay you?

Captain USHER. They are used in filing, and these additional men are necessary to handle the records which are stored in boxes.

Mr. TAWNEY. How many clerks have you in all?

Captain USHER. Sixty-two clerks and 8 messengers. Some of the messengers do the filing work.

Mr. TAWNEY. You want two additional assistant messengers?

Captain USHER. Yes, sir. That is the lowest grade. We asked for more help than the department was disposed to ask for. We asked for 16, and they said "No; we will not give you more than 10," and cut off 6.

Mr. BINGHAM. If this request is complied with, will it have the effect of bringing your work up to time?

Captain USHER. Yes, sir; not at once, but gradually working up to time. In order to do the daily current work it has been necessary for a certain number of men to work overtime. There has been a great deal of accumulation. The men are efficient, but they can not keep the work up. They do as well as you can get men to do.

BUREAU OF EQUIPMENT.

STATEMENT OF REAR-ADMIRAL WILLIAM S. COWLES, CHIEF.

WIRELESS-TELEGRAPH EXPERT.

Mr. BINGHAM. I notice that you estimate for one expert in wireless telegraphy, at \$3,000. Have you anything to say in addition to what is contained in the note?

Admiral COWLES. No, sir.

Mr. BINGHAM. No other bureau has charge of wireless telegraphy?

Admiral COWLES. No, sir.

DRAFTSMEN.

Mr. TAWNEY. Have you anything more to say in regard to the two draftsmen, at \$1,740 each, than is contained in the notes?

Admiral COWLES. Nothing more.

HYDROGRAPHIC OFFICE.

STATEMENT OF COMMANDER HENRY H. BARROLL, ACTING
HYDROGRAPHER.

Mr. BINGHAM. You ask for six copyists instead of three copyists?

Commander BARROLL. The reasons are given more in detail in this statement which I will file with the committee. The reason for changing their title is that these young men have no status by which they can be promoted.

Mr. BINGHAM. You have three apprentices at \$700 each?

Commander BARROLL. Yes, sir.

Mr. BINGHAM. And you ask for three copyists?

Commander BARROLL. These men were enlisted as apprentices with the understanding that they would receive later \$100 additional each year for four years. At the end of that time they are receiving \$700. That is a lower price than would be paid to similar men on the outside. The last Congress failed to appropriate an additional \$100 for these men, and also for three other men employed in chart construction and in engraving. The Hydrographer asks that the title be changed to agree with the suggestion made by the committee on grades. That would enable these men to come in under a certain line of promotion. At present there is no line by which we can promote. It is also stated in this statement, which he left with me, that the young men had not received what they contracted for.

Mr. BINGHAM. That is fully set forth in the statement?

Commander BARROLL. Yes, sir.

Mr. BURLESON. The statement explains the whole thing?

Commander BARROLL. Yes, sir.

Mr. TAWNEY. That involves an increase of only \$800?

Commander BARROLL. Yes, sir.

Mr. BINGHAM. That includes, I suppose, the lithographer at \$900?

Commander BARROLL. Yes, sir.

PILOT CHARTS.

Mr. TAWNEY. Please give us your explanation in regard to this change which you desire made in the language on page 169.

Commander BARROLL. The explanation of the change from "the Pilot Chart and Supplements" to "Pilot Charts and their supplements" is that that was an original error. We publish two pilot charts—one of the North Atlantic and one of the North Pacific and the supplements. It is simply a change of the wording in the bill.

PERIODICALS.

Mr. BURLESON. What have you to say in regard to the new language on page 170 as to periodicals?

Commander BARROLL. I have an explanation in regard to that. In the appropriation for the Hydrographic Office itself, just immediately above, occur those words. In the next paragraph below that comes the appropriation for the branch hydrographic offices which we have in New York and Philadelphia and San Francisco, but under that last paragraph we can not use even the appropriation we have in order to give them books. That changing of the wording brings about the same identical result. The appropriation for the main office enables us to furnish books to them under the same appropriation, and I think there is no more money asked for.

Mr. BINGHAM. Is that work done now?

Commander BARROLL. We have to get those books and periodicals. I do not know how they have been getting them. I think they have been getting them from the main office, and also that they have been getting certain things from the contingent fund.

Mr. BINGHAM. You can do that from your present appropriation?

Commander BARROLL. Yes, sir; I do not understand that there is anything else asked for.

NAUTICAL ALMANAC OFFICE.

STATEMENT OF MR. MILTON UPDEGRAFF, PROFESSOR OF MATHEMATICS, UNITED STATES NAVY.

COMPUTERS.

Mr. BINGHAM. For pay of computers you ask an increase of \$1,000. Please explain that.

Mr. UPDEGRAFF. The almanac is expert work nowadays, and we need that money for changes and improvements that are being made. You will notice that there was a reduction in the appropriation for 1907 of \$1,000. We had \$7,000 before that. For two years we have had only \$6,000. That is not enough. We need the larger amount of \$7,000.

Mr. TAWNEY. What is the amount you had before?

Mr. UPDEGRAFF. The amount has been \$7,000 except two years, 1907 and 1908.

Mr. BURLESON. The computers are poorly paid.

Mr. UPDEGRAFF. Yes, sir.

Mr. BURLESON. The poorest paid men in the service.

Mr. UPDEGRAFF. Yes, sir.

Mr. GILLETT. What particular work are you going to do?

Mr. UPDEGRAFF. It is for the purpose of getting an enlarged and improved star list for the American Ephemeris, to be used by surveyors and astronomers generally—the most valuable piece of scientific work that the almanac can do.

Mr. GILLETT. Do not the different astronomers over the world do that all the time?

Mr. UPDEGRAFF. There are four ephemerides and they have each published a star list. Ours heretofore has not been as good as one or two others.

Mr. GILLETT. Why not copy theirs, if they are so much better?

Mr. UPDEGRAFF. We are going to make one still better. We are going to have the best star list in the world.

Mr. GILLETT. What is the importance of the star list, greater accuracy in surveying?

Mr. UPDEGRAFF. Yes, sir; and in the astronomical work of the observatory, and as a convenience for astronomers and for all who use the fixed stars in their work.

Mr. GILLETT. I do not understand what is the practical reason that the United States is engaged in this work.

Mr. UPDEGRAFF. The ephemeris primarily is for the use of navigators.

Mr. GILLETT. I understand that, but there will be plenty of them if we do not do this work?

Mr. UPDEGRAFF. No, sir; we have to use our own ephemeris.

Mr. GILLETT. Why?

Mr. UPDEGRAFF. Because it is adapted to our use. The ephemeris is for the meridian of Washington, and for the navigators it is for the meridian of Greenwich.

Mr. GILLETT. Why can not our navigators use the Greenwich one?

Mr. UPDEGRAFF. They do not, but they could do so. Almost all of the more civilized nations have their ephemeris. The Japanese are just commencing to get one out. The Russians do not publish one. They take the English almanac and write a Russian introduction to it and issue it to their navy. We have, since 1855, gotten out our own almanac.

Mr. BURLESON. Of course a layman thinks it is a valueless work, but, as a matter of fact, it is a very important and very valuable publication.

Mr. UPDEGRAFF. There is not a more practical publication issued by the Government than the American Ephemeris. Of course, it is needed by the hydrographer of the navy, and he has already requested 200 copies as soon as the edition of 1909 is out.

Mr. GILLETT. Do you get out a new one every year?

Mr. UPDEGRAFF. Yes, sir.

Mr. GILLETT. There are changes?

Mr. UPDEGRAFF. No, sir; not necessarily. There have been very few changes for ten years past, since Professor Newcomb retired, but after so much time has passed a number of improvements are needed.

Mr. GILLETT. Discoveries that have been made?

Mr. UPDEGRAFF. No; not so much that as the progress in scientific work which takes place in all branches of science.

BUREAU OF SUPPLIES AND ACCOUNTS.

STATEMENT OF GENERAL E. B. ROGERS, CHIEF.

CLERICAL FORCE.

Mr. LIVINGSTON. Why do you ask for six clerks of class 2 instead of five; ten clerks at \$1,100 each, instead of eight; and four clerks at \$900 each, instead of three?

General ROGERS. I simply want the four clerks that I asked the committee for last year, only I am asking for them at lower salaries.

Mr. LIVINGSTON. Do you need them?

General ROGERS. Yes, sir; most decidedly.

Mr. LIVINGSTON. How did you get along without them?

General ROGERS. By my report now being one month behind. I have not been able to get it out.

Mr. BURLESON. You are only a month behind?

General ROGERS. My report; yes, sir.

Mr. BURLESON. Is your work only one month behind?

General ROGERS. It is four months behind in the finance division.

Mr. LIVINGSTON. Can not this estimate be reduced?

General ROGERS. No, sir; but I will state this: If you will grant me these clerks I honestly believe that I can come before you next year and ask for nothing. If you will give me the \$1,500 that I asked for last year for labor-saving machines—I asked for \$4,500, and Mr. Newberry, the Assistant Secretary, supported me in it, and I afterwards reduced it to \$2,500, that is an additional amount in the contingent fund—I will agree to come and cut down the others.

Mr. BURLESON. Just \$1,500 for labor-saving machines? I will make that agreement now.

General ROGERS. This, of course, is based upon the proposition that I can get the machines. If I do not get them I will not spend the money.

Mr. BINGHAM. Were your original estimates very much reduced?

General ROGERS. No, sir; very little.

Mr. BINGHAM. You stand on the increase of \$6,000?

General ROGERS. I asked for \$106,040.

Mr. BINGHAM. You stand on that?

General ROGERS. Yes, sir; of which \$4,500 is for clerks, and \$720 is for the messenger which I asked for, but he will be dropped from the Secretary's roll, so there is no increase in the appropriation. If you had granted the increases last year it would have cost \$7,000, and I ask for the same number now at \$4,500 instead of \$7,000. In other words, I have reduced the annual compensation which I then asked.

RAILWAY GUIDES, FREIGHT, PASSENGER, AND EXPRESS TARIFF BOOKS.

Last year the department asked the committee to incorporate a paragraph under contingent expenses of the Navy Department to buy city directories, dictionaries, atlases, encyclopedias, railway guides, freight, passenger, and express tariff books. The reason for that is a decision of the comptroller that those articles can not any longer be bought under this appropriation.

Mr. TAWNEY. That was the ruling?

General ROGERS. Yes, sir. He later ruled that they could be bought under the appropriation for the library, but as that appropriation is only \$2,000 the Secretary never would permit it to be done and Congress has passed a law that we can not buy those books from any other appropriation. I have no particular interest in dictionaries, atlases, and encyclopedias, but I have, as transportation agent of the Navy Department spending half a million dollars in its transportation, a great deal of interest in city directories, railway guides, freight, passenger, and express tariff books, and I would like permission to buy them.

Mr. BURLESON. How do you get along now?

General ROGERS. We simply get along.

BUREAU OF MEDICINE AND SURGERY.

STATEMENT OF SURGEON-GENERAL P. M. RIXEY, CHIEF.

Mr. BINGHAM. You ask for two clerks of class 4; you now have one. That is the only change you ask in the paragraph.

General RIXEY. Yes, sir.

Mr. BINGHAM. Please give us the reason.

General RIXEY. Last year I came before the committee and asked for this one clerk. That is necessary by reason of the increase in the number of ships and the personnel of the navy. By having this clerk at \$1,800 it will give us an opportunity of helping along the clerks who have been in the bureau many years, and it gives us the chance to appoint the one man at \$840. That will help the work in the bureau immensely.

Mr. BURLESON. Do you actually need the man?

General RIXEY. Yes, sir. We want to do it that way. There is a lot of statistical work and the man has to have technical knowledge. He must commence at the bottom and gradually work himself up. We need this man very much.

CONTINGENT EXPENSES.

STATEMENT OF MR. F. S. CURTIS, CHIEF CLERK.

Mr. BINGHAM. In the paragraph "Contingent expenses, Navy Department," there are a few changes. The solicitor and the judge-advocate feel that if this wording was allowed the \$2,000 could be used to secure a certain line of books and records. That you understand?

Mr. CURTIS. Yes, sir.

Mr. TAWNEY. I understand, however, that the solicitor wanted in addition the language which he has included in his estimates, so he could buy books for his bureau.

Mr. BINGHAM. I think you will find that if this authority is allowed under "Contingent expenses" that it will cover what he has asked for. You understand that?

Mr. CURTIS. Yes, sir. I need the directories particularly. In the Bureau of Supplies and Accounts they need the railway guides, freight, passenger, and express tariff books, which they can not buy now.

Mr. BINGHAM. How much money will be required for that purpose?

Mr. CURTIS. They have not figured out just how much money will be needed for the different books. For several years they used to use this appropriation for this kind of books, before the limitation was put on by the action of Congress. Of course the expenses for this year will probably be larger than in the following years, in order to bring them all up to date.

Mr. TAWNEY. How much do the railway guides cost?

Mr. CURTIS. From \$5 to \$10 apiece.

Mr. TAWNEY. Who publishes them?

Mr. CURTIS. I have not that information.

Mr. TAWNEY. Do not the railway companies furnish railway guides free to anybody?

Mr. CURTIS. I think there are not any furnished free. I think if there had been any furnished free we would have had them.

Mr. BINGHAM. How much of the \$10,000 increase, from \$40,000 to \$50,000, will be used for city directories, dictionaries, atlases, encyclopedias, railway guides, freight, passenger, and express tariff books?

Mr. CURTIS. That \$10,000 was not expected particularly to cover those items, but they want to be able to use that appropriation for those particular purposes, as they formerly did.

POWER-PROPELLED WAGON.

Mr. BINGHAM. In other words, if you get the \$40,000, which current law gives you, with the insertion of the verbiage I have just read, you would apply the \$10,000 additional to a power-propelled mail wagon and what is stated in the note?

Mr. CURTIS. Yes, sir.

Mr. TAWNEY. What kind of a power-propelled wagon do you propose to purchase under this appropriation?

Mr. CURTIS. That was inserted by the direction of Mr. Newberry, who is pretty well acquainted with wagons of that kind. He has not taken any active steps toward any specific kind of wagon.

Mr. TAWNEY. Is it a wagon or an automobile?

Mr. CURTIS. It is an automobile wagon for mail purposes.

Mr. TAWNEY. What are you using now?

Mr. CURTIS. An ordinary express wagon and a horse.

Mr. GILLET. How many horses have you?

Mr. CURTIS. One for the mail wagon and four for the Secretary.

Mr. BURLESON. Would it be less expensive to continue the use of the horse than to provide an automobile?

Mr. CURTIS. That is a debatable question. It depends on the maintenance of the wagon and the use of it. With proper use, in the long run I suppose it would be less expensive to use a wagon of this kind than a horse.

Mr. LIVINGSTON. It costs from \$350 to \$375 a year to keep one of those wagons in repair.

Mr. TAWNEY. Do you know whether it is the purpose to buy a gasoline or an electric wagon?

Mr. CURTIS. No, sir.

Mr. GILLET. The horse goes back and forth with the mail?

Mr. CURTIS. Yes, sir.

FILE CASES AND BOXES.

Mr. BINGHAM. For installing file cases and boxes you ask \$5,000. How many boxes will that provide?

Mr. CURTIS. A good many, quite a number. That would only be a step.

Mr. BINGHAM. This is the commencement of fitting up the whole division and putting in new cases?

Mr. CURTIS. Yes, sir.

Mr. BINGHAM. Have you any idea how many boxes \$5,000 will provide?

Mr. CURTIS. They put a steel file case in the Bureau of Navigation which contains 650 boxes.

Mr. BINGHAM. How much did it cost?

Mr. CURTIS. Seven hundred and fifteen dollars. The wooden boxes—I looked up an old case—216 boxes cost \$248. The proportion of cost for the larger case at that rate would be about \$414, against \$248. That would be about the difference in cost. There would be a very considerable gain in space. That is the principal reason for substituting the steel for the wooden cases.

Mr. BINGHAM. You would tear out the old cases and put in the new ones?

Mr. CURTIS. Yes, sir.

STATIONERY.

Mr. BINGHAM. You estimate for stationery \$2,500. Everything of that character has gone up in price?

Mr. CURTIS. Yes, sir. It went up in price some years ago, I think. We did not get the increase last year.

Mr. BINGHAM. Can you live within the appropriation?

Mr. CURTIS. By very strict economy we will have to live within the appropriation.

**"INCREASE OF THE NAVY"—EMPLOYEES TO BE PAID
FROM APPROPRIATIONS FOR NAVY DEPARTMENT.**

WASHINGTON, *December 1, 1908.*

SIR: Referring to the estimates of this department in connection with the legislative, executive, and judicial appropriation bill for the fiscal year ending June 30, 1910, and in view of the following provisions contained in the act approved March 18, 1904, viz:

Office of the Secretary: * * * On and after July first, nineteen hundred and four, it shall not be lawful for the Secretary of the Navy to employ in the Navy Department, at Washington, District of Columbia, and pay out of the appropriations for new ships, any civilian expert aids, additional draftsmen, writers, copyists, and model makers, except as herein or as may hereafter be specifically authorized. * * *

I have the honor to request that to enable the Secretary of the Navy to employ and pay out of the appropriations "Increase of the navy" and "Public works" for the services of such draftsmen and other technical services as may be required to carry into effect the various appropriations under the aforementioned titles the following clauses, similar to those contained in the legislative appropriation act ap-

proved May 22, 1908, be incorporated in the legislative appropriation bill for the fiscal year ending June 30, 1910, viz:

After the appropriations for the Bureau of Construction and Repair, the following:

The services of draftsmen and such other technical services as the Secretary of the Navy may deem necessary may be employed only in the bureaus of Ordnance, Equipment, Construction and Repair, and Steam Engineering to carry into effect the various appropriations for "Increase of the navy," to be paid from such appropriations: *Provided*, That the expenditures on this account for the fiscal year nineteen hundred and ten shall not exceed one hundred and twenty thousand dollars; a statement of the persons employed hereunder, their duties, and the compensation paid to each shall be made to Congress each year in the annual estimates.

After the appropriations for the Bureau of Yards and Docks, the following:

The services of skilled draftsmen and such other technical services as the Secretary of the Navy may deem necessary may be employed only in the Bureau of Yards and Docks to carry into effect the various appropriations for "public works" to be paid from such appropriations: *Provided*, That the expenditures on this account for the fiscal year nineteen hundred and ten shall not exceed thirty thousand dollars; a statement of the persons employed hereunder, their duties, and the compensation paid to each shall be made to Congress each year in the annual estimates.

Lists of the persons employed in the several bureaus under the authority of the legislative appropriation act approved May 22, 1908, accompanied the annual estimates of this department for salaries for the fiscal year ending June 30, 1910, heretofore submitted.

Very respectfully,

TRUMAN H. NEWBERRY, *Secretary*.

The CHAIRMAN COMMITTEE ON APPROPRIATIONS,
House of Representatives.

THURSDAY, DECEMBER 3, 1908.

POST-OFFICE DEPARTMENT.

OFFICE OF DIVISION OF POST-OFFICE INSPECTORS.

STATEMENT OF MR. FRANK E. McMILLIN, CHIEF INSPECTOR.

Mr. BINGHAM. Why do you ask for 16 clerks at \$900 each, in lieu of 14?

Mr. McMILLIN. To take care of the increased work.

Mr. BINGHAM. What is the character of the work?

Mr. McMILLIN. Office work.

Mr. TAWNEY. How many inspectors have you now?

Mr. McMILLIN. Three hundred and fifty-five.

Mr. TAWNEY. How many did you have last year?

Mr. McMILLIN. Three hundred and seventy-seven.

Mr. TAWNEY. You have a less number of inspectors this year than you had last year?

Mr. McMILLIN. Yes, sir.

Mr. TAWNEY. Why has the clerical work increased with fewer inspectors?

Mr. McMILLIN. We have to take care of the work by correspondence in the office. We have to do more office work, really, with a less number of inspectors.

Mr. TAWNEY. Is the work of inspectors current?

Mr. McMILLIN. No, sir.

Mr. TAWNEY. How far behind are you?

Mr. McMILLIN. That is pretty difficult to say; a year or so in a great many cases, and in some of them more than that.

Mr. TAWNEY. Have you any system in your office whereby cases that do not properly fall within the purview of the work of inspectors can be eliminated before they are sent out to the inspectors?

Mr. McMILLIN. Yes, sir.

Mr. TAWNEY. Who is in charge of that work?

Mr. McMILLIN. We have to have that work performed by clerks. Of course it is difficult to get men who can always determine—that is, ordinary clerks—whether the work ought to go out, but we have covered that in a great measure by taking it up with other bureaus, and as a general policy cutting out certain lines of work and having it performed in a different way.

Mr. TAWNEY. There are a great many complaints that come through the Division of Inspectors for investigations that are not proper—where it is not proper for the Government to make any investigation at all—are there not?

Mr. McMILLIN. We have some of them. It is pretty difficult to tell whether an investigation should be made or not.

Mr. TAWNEY. Is it not a fact that in a great many cases, after the inspectors have worked up the cases, they go to the district attorney and the district attorney informs them that it is not a case that they can prosecute under the law; that it comes under the violation of some state law?

Mr. McMILLIN. Oh, no. We do not take up matters of violations of state laws. Occasionally we prosecute under a state law when the penalty is greater than under the federal statutes. It is a matter for the district attorney to determine, however, whether or not he shall prosecute.

Mr. TAWNEY. If you had proper supervision down here in the office, or a man who was competent to pass upon the question first, whether or not it is a case that could be prosecuted if the facts were found as claimed, would not that eliminate a great deal of work in the inspectors' office down here?

Mr. McMILLIN. It would eliminate very few, as it would be difficult to determine the question of prosecution before an investigation is made.

Mr. TAWNEY. Assuming that the statements claimed by the person submitting the complaint are true, then the man in the office, if competent, could determine whether it is a case that properly falls in the jurisdiction of the department or not?

Mr. McMILLIN. Oh, yes, certainly.

Mr. TAWNEY. The only investigation needed, then, would be as to the truth of the statements made?

Mr. McMILLIN. Yes, sir.

Mr. TAWNEY. I am not speaking now of frauds upon the mail, but you have innumerable applications for investigations as to loss of

packages through the mails, and things of that kind, that are sent out to inspectors?

Mr. McMILLIN. Yes, sir; we have to recognize any complaint of loss.

Mr. TAWNEY. How much does the clerk get who does that work now?

Mr. McMILLIN. I am not positive. I think the clerks doing that work now are receiving, perhaps, \$1,000 each.

Mr. TAWNEY. As a result, everything goes out that comes in?

Mr. McMILLIN. No. Frequently they come to me and ask me if they shall make up a case.

Mr. TAWNEY. The loss of property that is not registered in transportation through the mails—you have a great many cases of that kind to investigate, have you not?

Mr. McMILLIN. Yes, sir.

Mr. TAWNEY. And when you come to prosecute them, in many instances the cases are found to be cases of larceny, if anything at all, and would be prosecuted under state laws?

Mr. McMILLIN. Once in a while that happens, but we have to determine that by an investigation in order to ascertain or locate where the loss occurred; otherwise you could not determine that fact.

Mr. TAWNEY. How long has it been the practice in your office to investigate the loss of property transported through the mails, not registered?

Mr. McMILLIN. I think ever since the inspection department has been in existence.

Mr. TAWNEY. How long have you been in the inspection service?

Mr. McMILLIN. Nine years.

Mr. TAWNEY. I have been informed by inspectors who have been in the service a long time that it was not formerly the practice to pay any attention to the loss of property of persons transmitting property through the mails without registry at their own risk.

Mr. McMILLIN. They certainly were not very well informed concerning their work if they made that statement.

Mr. LIVINGSTON. The law of common carriers would make the Government responsible.

Mr. TAWNEY. The Government is not responsible.

Mr. McMILLIN. Of course we have to look after these complaints and purify the service and keep out of the service people who would steal from the mail or who would destroy it. That would have to be one of the functions of the inspection service from the beginning.

Mr. BINGHAM. Is there any appreciable loss of government property running through the mails?

Mr. McMILLIN. Well, there is a loss, of course, all the time. It varies, however.

Mr. BINGHAM. The sum total of appropriations asked for this year by your entire department is \$1,711,000, and the amount of the appropriation under the current law is \$1,708,000, showing the increase asked for is only a little less than \$3,000. Your division is one and the Second Assistant Postmaster-General's is another in which an increase is asked for. Those two items in this entire bill are the only increases asked for. All of the other divisions of your great department stand for the next year as they stand in the current law under

the present appropriation. Are the increases I refer to asked for on the assumption of increased work?

Mr. McMILLIN. Yes, sir.

Mr. BINGHAM. Don't you think you can get along without these two very reasonably priced \$900 men?

Mr. McMILLIN. My office has had no increase for about two years. The work has increased about 30 per cent in that time; 17 per cent last year over the year before.

Mr. BINGHAM. In other words, you feel that there should be an exception in your case?

Mr. McMILLIN. There is no question about it.

OFFICE OF SECOND ASSISTANT POSTMASTER-GENERAL.

STATEMENT OF MR. JOSEPH STEWART, SECOND ASSISTANT POSTMASTER-GENERAL.

LAW CLERK.

Mr. BINGHAM. On page 230 you will see in parentheses the words "and law clerk." It is only a change in verbiage. Why do you cross that out?

Mr. LIVINGSTON. They do not want to designate him that way. He has got designation enough without it. He is assistant superintendent of railway adjustments.

Mr. STEWART. When these words were added, Mr. Chairman, the person performing those duties was performing the law work for the Second Assistant Postmaster-General. There has been a change in the personnel, and the person holding that office now does not do law work, and we think it only proper to have those words omitted.

Mr. TAWNEY. Who is now doing the law work that he formerly did?

Mr. STEWART. I am doing it.

Mr. TAWNEY. What is your position?

Mr. STEWART. I am Second Assistant Postmaster-General.

Mr. BINGHAM. Were you the law clerk?

Mr. STEWART. I was the law clerk.

Mr. TAWNEY. Suppose inside of a year somebody else should be Second Assistant Postmaster-General who is not a lawyer and we omit these words?

Mr. STEWART. That contingency has arisen in my mind, Mr. Chairman, and I am not strenuous for having these words omitted. It is only to conform to the existing conditions that we asked it. While I am in the office, I expect to do practically the same law work. While I was law clerk, I advised the Second Assistant in matters of law and took personal charge in connection with the Department of Justice and their attorneys in the defense of suits against the United States arising out of transportation matters. I will still use my knowledge of law in my present position of Second Assistant Postmaster-General and continue my assistance to the Department of Justice when desired.

Mr. TAWNEY. Let me ask you this, as a matter of fact: Is or is not the man who has supervisory control over this Division of Railway Adjustments frequently called upon to determine questions of law in the ordinary routine of his office?

Mr. STEWART. He is.

Mr. TAWNEY. Then I could see no objection to allowing that title to remain as it is, so that the conditions could revert back again to what they were before. There would be no question about his being able to perform that work?

Mr. STEWART. The only question about that is this: You see, this is the assistant superintendent of railway adjustments. I was assistant superintendent and I was also superintendent, and I performed the duties while I was assistant superintendent and continued them while I was superintendent.

CHANGES OF TITLES.

Mr. BINGHAM. You want the title of chief clerk changed to "assistant superintendent, division of foreign mails," and one chief of division of inspection changed to "superintendent," and the other chiefs lower down there you want changed to "superintendents" of the divisions mentioned? You ask for no increase of appropriation under them and give no intimation as to any change or addition of work. What is the purpose of simply changing the title of "chief" to "superintendent?"

Mr. STEWART. The purpose is to make these designations harmonious with those in the other parts of the department. The Second Assistant's office is the only one at present whose officers of these grades are denominated "chiefs."

Mr. BINGHAM. They are all denominated "chiefs" consistently.

Mr. STEWART. In other parts of the department they are called "superintendents," and we wish to make it uniform throughout the department.

SIX ADDITIONAL CLERKS AT \$900.

Mr. BINGHAM. In lieu of 6 you ask for 12 clerks at \$900 each. Why that increase? That is the only increase in your bureau.

Mr. STEWART. That is to take care of the natural increase in the work. The Second Assistant's bureau has charge of the entire transportation of the mails, both domestic and foreign.

ONE PAGE.

Mr. STEWART. We only ask for an additional force of six clerks and one page. The one page is to relieve a messenger who is in my office now and who belongs to the railway adjustment division. The railway adjustment division has none at present, except as he is borrowed from headquarters.

Mr. BINGHAM. Do they adjoin you in the location of offices in the department?

Mr. STEWART. Yes, sir. One will not do. The mail is coming and going, and there are many important duties requiring the time of these two messengers. I have a personal messenger, and this addi-

tional messenger who belongs to the adjustment division has for a number of years been detailed to the second assistant's office to assist in these general duties. If this page could be allowed, this messenger could go back where he is badly needed. The six additional clerks are to care for the natural increase in the work of the office. Our overtime for the last year amounted to the work of between four and five additional clerks. There is not a division in my office where the clerks do not put in overtime, and the work is rapidly increasing.

Mr. TAWNEY. Why is that increase? My understanding is that the mail service is not increasing, at least it is not shown by the receipts of the Post-Office Department to be increasing.

Mr. STEWART. I rather think it is increasing, Mr. Tawney.

Mr. TAWNEY. Our postal receipts for the past fiscal year were considerably below what they were in the previous fiscal year, were they not?

Mr. BURLESON. The deficit was greater.

Mr. TAWNEY. Were not the receipts less for the fiscal year 1908 than they were for 1907?

Mr. LAWSHE. The receipts were \$7,000,000 more, Mr. Chairman.

Mr. TAWNEY. I understood from the newspapers that the receipts were less.

Mr. STEWART. I think you will find a very substantial growth everywhere in the service.

Mr. BINGHAM. Any new routes?

Mr. STEWART. Yes.

Mr. BINGHAM. How many?

Mr. STEWART. We put on more railroad service last year than we did in any other recent year. The star-route business is holding its own.

Mr. BINGHAM. Just about?

Mr. STEWART. Yes; not increasing on account of the substitution of other classes of service. During the year there has been a decrease in the total number of routes, but this has not materially affected the question of clerical help. The Railway Mail Service is rapidly growing.

Mr. BINGHAM. How many new routes?

Mr. STEWART. I spoke of that generally as to mileage and routes. The work of the inspection division is growing rapidly. The inspection division has to do with the checking up of the reports of performance of the service on all routes in the country, and the preparation of orders making deductions for failures to perform service and assessing fines for delinquencies.

Mr. BINGHAM. The legislation by Congress has not touched you at all in your mail service, has it, so far as work is concerned?

Mr. STEWART. Yes; it has in this respect—that the law passed two years ago and carried for the next year in the appropriation bill requiring the Postmaster-General to fine railroad companies for failures to keep their schedule time greatly increases the work in the inspection division. That work is in arrears now.

Mr. BINGHAM. How is your general work?

Mr. STEWART. Pretty well up, but we keep up only by this overtime work.

ABUSE OF THE FRANKING PRIVILEGE.

Mr. BURLESON. There was a considerable increase in mail matter transported during the last campaign by reason of the fact of the immense volume of stuff that was sent out under frank; was not that so, sir?

Mr. STEWART. Undoubtedly there was a great deal sent out, but that would be incidental to the general service.

Mr. TAWNEY. That was this fiscal year.

Mr. BURLESON. Were you familiar with the General Sickles letter? About a million copies of this were sent out, I understand.

Mr. TAWNEY. Whose letter?

Mr. BURLESON. The General Sickles letter. I thought everybody was familiar, in a general way, with that. You have heard of that. Can you approximate the number that was sent out under frank?

Mr. STEWART. I have no idea. Nothing of the kind ever came to me officially.

Mr. BURLESON. Could an immense surplus of stuff be sent out under frank without your department knowing anything about it?

Mr. STEWART. No; we would be advised.

Mr. BURLESON. You would be advised, and you have received no advices about the General Sickles letter?

Mr. STEWART. No, sir.

Mr. BURLESON. Who would advise you?

Mr. STEWART. I would be advised through the railway mail service.

Mr. TAWNEY. How many additional clerks were you allowed last year?

Mr. STEWART. Five.

Mr. LIVINGSTON. Will you be kind enough to make that investigation in connection with the superintendent of railway mail service, and ask who sent out those postal cards all over the country, franked, and who sent out General Sickles's letter?

Mr. TAWNEY. And Champ Clark's speech.

Mr. BURLESON. Where was Champ Clark's speech made?

Mr. TAWNEY. In the House.

Mr. BURLESON. That was frankable, whereas General Sickles's letter was not frankable, and the postal cards referred to by Colonel Livingston were not frankable.

Mr. TAWNEY. Those postal cards, some of them, contained matter that was delivered on the floor of the House.

Mr. STEWART. I should modify my statement that I would be advised if there was any great amount of that class of mail going out. I would be advised only in case it was going through a weighing section at the time the mails were being weighed. In the ordinary course of the mails I would have no official knowledge of it. We have vast amounts of matter of all descriptions passing through the mails, and ordinarily I have no occasion to know such details as are referred to.

Mr. BURLESON. If a vast amount of stuff like that was going out from one of the departments here, you would know it?

Mr. STEWART. Not unless it was going into a weighing section, where we were weighing the mails.

Mr. BURLISON. I do not direct attention to this evil with a view to correcting it at all. I regard it as hopeless.

Mr. TAWNEY. It would not come to your office?

Mr. STEWART. Not unless it were reported in connection with weighing the mails. We attempt to correct all irregularities occurring in connection with the weighing of the mails.

Mr. LIVINGSTON. Have you any recommendation to make about the use of the franking privilege now, or the use of stamps, now that the receipts are falling away? Have you considered it at all?

Mr. TAWNEY. That comes under the jurisdiction of the Postmaster-General, not under the jurisdiction of the Second Assistant.

Mr. STEWART. The Third Assistant Postmaster-General would be the proper one to inquire of about that.

Mr. LIVINGSTON. This is not politics. I am talking about everybody using it that ought not to use it.

Mr. STEWART. We had a special weighing of the mails in 1907, the report of which is printed as a public document by the House. I think it is Document No. 910. It gives extremely interesting information upon that subject. In connection with that I have had some estimates made upon the cost of handling the different classes of mail matter, which will soon be ready for the Postmaster-General, and that might be of interest to you.

Mr. LIVINGSTON. Can you get a copy of it?

Mr. STEWART. Yes, sir; I shall speak with the Postmaster-General about it.

Mr. BINGHAM. I wish you would send to us a statement of what has been your increase in routes and mileage thus far, taking up each of the five or six months of this year. The Postmaster-General's report will cover the past fiscal year?

Mr. STEWART. I will do so, covering the time since the 1st of July of this year.

OFFICE OF THIRD ASSISTANT POSTMASTER-GENERAL.

STATEMENT OF MR. ABRAHAM L. LAWSHE, THIRD ASSISTANT POSTMASTER-GENERAL.

The CHAIRMAN. There are no increases in your estimates, I believe.

Mr. LAWSHE. Mr. Chairman, there is a reduction of \$3,000 in my estimates, not an increase.

ABUSE OF THE FRANKING PRIVILEGE (AGAIN).

Mr. LIVINGSTON. Let us suppose, Mr. Third Assistant, that about 15,000 or 20,000 copies of General Sickles's letter were sent out of the Department of Agriculture. How can we find out and get trace of that matter? It is charged openly, and I believe the Agricultural Department has admitted it; but, as they say, they can not locate the proposition. How can we find out who franked 15,000 copies of General Sickles's letter and sent them out of the Department of Agriculture?

Mr. LAWSHE. Mr. Livingston, that matter has not been brought to my attention.

Mr. LIVINGSTON. I know; but how can we get track of that matter?

Mr. LAWSHE. I should say a request upon the Agricultural Department would result in an investigation of the subject by the department itself, would it not?

Mr. LIVINGSTON. Would not the superintendent of the Railway Mail Service know something about it?

Mr. GILLET. I think if you would ask the Secretary of Agriculture he would tell you personally.

Mr. LIVINGSTON. I understand he says publicly that he does not know.

Mr. LAWSHE. A great many things occur that I do not know of.

Mr. LIVINGSTON. It was brought out very prominently about these postal cards. The papers of the Southern States spoke about it repeatedly. I do not know about the papers of the Eastern States. But the papers of the Southern States called upon Congress to find out why that was going on while the postal expenses were climbing up so rapidly. I do not know whether Republicans alone do this. There was Champ Clark's speech. I want to say that in my opinion both of the national committees have absolutely violated the law, in spirit, if not in letter, outrageously.

Mr. BURLESON. I think the Democrats have not. [Laughter.]

PER DIEM OF SUPERINTENDENTS AND SPECIAL AGENTS.

Mr. BINGHAM. I see that the estimate for per diem allowance under your bureau for assistant superintendents of registered mail and special agents in the division of classification when traveling is reduced from \$10,000 to \$7,000 in each case.

Mr. LAWSHE. I made that reduction because I felt sure I would not need the other \$3,000. We have had the larger appropriation for several years and have not used it all. I do not see why we should ask for something that we do not need.

Mr. BINGHAM. Then you stand for \$7,000?

Mr. LAWSHE. Yes, sir.

USE OF FRANK BY THE COMMISSION ON COUNTRY LIFE.

Mr. GILLET. Let me ask you: I understand that this commission on country life sent out letters with questions to be answered and sent back by return mail under frank. Do you know under what frank those came back?

Mr. LAWSHE. I could not say. The question may have been raised whether this commission on country life could make use of the franking privilege or, rather, use the penalty envelope. If so, it was held that the commission on country life as such could not use it, but that correspondence in regard to that commission which related "exclusively to the business of the Government of the United States," conducted by an officer of the Government under the supervision of any executive department, might under the law be transmitted free of postage under cover of a penalty envelope of his department.

Mr. LIVINGSTON. But these men are not officials of the Government. President Roosevelt has no authority to appoint them under any law to any official position.

Mr. GILLETT. Some of them are already in official positions.

Mr. LAWSHE. The law provides that when information is desired by the Government a return envelope may be inclosed. If an officer of the Government was transacting executive business, that would be all right.

Mr. GILLETT. I suppose the officer of this commission was a government official, but the business he was transacting was the business of this commission. Have you passed on that?

Mr. LAWSHE. Not that I remember. If it was government business, it would be frankable. If not, it would not be.

Mr. BURLISON. How could it be government business when this commission has no standing in law?

Mr. LAWSHE. That might be a question of law, whether the President has authority to appoint such a commission.

Mr. GILLETT. The President has the right to appoint any number of commissions, but his appointing them as commissions does not make them government commissions. It makes them commissions of his, and not government commissions.

Mr. LAWSHE. The commission, as such, has no frank, and I believe does not use a frank. In fact, I believe it must have been told, if the question was raised, that it had no right to use a frank.

Mr. TAWNEY. Here is a circular which the commission on country life has sent over its signature, under the title "Commission on Country Life," dated Washington, D. C., October 1, 1908. I will read it. [Reads:]

COMMISSION ON COUNTRY LIFE.

[L. H. Bailey, chairman, New York; Henry Wallace, Iowa; Walter H. Page, North Carolina; Kenyon L. Butterfield, Massachusetts; Gifford Pinchot, United States Forest Service; E. W. Allen, executive secretary.]

The commission desires to secure the opinions and observations of farmers, teachers, ministers, business men, and others on the condition of country life, and their suggestions as to what needs to be done. Some of the subjects into which the commission wishes to inquire are stated in the twelve questions on this sheet, and under each head two questions are asked. The commission desires your reply to the questions under any one or more of the heads. Please reply at once, using the inclosed envelope (no postage required). The names of correspondents will not be made public.

The commission will be glad of any fuller discussion of the above subjects that you may desire to make, or of any other subject pertaining to the general economic, social, or sanitary conditions of country life. Such supplementary information may be written on a separate sheet.

The general purpose of the commission's work is to arrive at an understanding of conditions and of public opinion with regard to American country life, as a basis for a report and recommendation to the President; and to this end the commission invites the cooperation of every citizen. Other subjects are to be taken up otherwise.

If you receive more than one copy of this circular letter, it will be explained by your name occurring on more than one of the address lists used. Please hand the duplicate to a neighbor.

COMMISSION ON COUNTRY LIFE.

WASHINGTON, D. C., October 1, 1908.

Person furnishing information:

Name, _____

Occupation, _____

Town or village, _____

County, _____

State, _____

I. Are the farm homes in your neighborhood as good as they should be under existing conditions?

(a) Why?

(b) What suggestions have you to make?

II. Are the schools of your neighborhood training boys and girls satisfactorily for life on the farm?

(a) Why?

(b) What suggestions have you to make?

III. Do the farmers in your neighborhood get the returns they reasonably should from the sale of their products?

(a) Why?

(b) What suggestions have you to make?

IV. Do the farmers in your neighborhood receive from the railroads, highroads, trolley lines, etc., the service they reasonably should have?

(a) Why?

(b) What suggestions have you to make?

V. Do the farmers in your neighborhood receive from the United States postal service, rural telephone, etc., the service they reasonably should expect?

(a) Why?

(b) What suggestions have you to make?

VI. Are the farmers and their wives in your neighborhood satisfactorily organized to promote their mutual buying and selling interests?

(a) Why?

(b) What suggestions have you to make?

VII. Are the renters of farms in your neighborhood making a satisfactory living?

(a) Why?

(b) What suggestions have you to make?

VIII. Is the supply of farm labor in your neighborhood satisfactory?

(a) Why?

(b) What suggestions have you to make?

IX. Are the conditions surrounding hired labor on the farms in your neighborhood satisfactory to the hired men?

(a) Why?

(b) What suggestions have you to make?

X. Have the farmers in your neighborhood satisfactory facilities for doing business in banking, credit, insurance, etc.?

(a) Why?

(b) What suggestions have you to make?

XI. Are the sanitary conditions of the farms in your neighborhood satisfactory?

(a) Why?

(b) What suggestions have you to make?

XII. Do the farmers and their wives and families in your neighborhood get together for mutual improvement, entertainments, and social intercourse as much as they should?

(a) Why?

(b) What suggestions have you to make?

What, in your judgment, is the most important single thing to be done for the general betterment of country life?

Mr. BURLESON. I would like to have that whole letter go into the record.

Mr. TAWNEY. It is in. You will observe the names of the commission are L. H. Bailey, chairman, New York; Henry Wallace, Iowa; Walter H. Page, North Carolina; Kenyon L. Butterfield, Massachusetts; Gifford Pinchot, United States Forest Service, and E. W. Allen, executive secretary. Mr. Pinchot seems to be the only one in the government service, but the letter is not sent out by Mr. Pinchot, and the information is not asked for by Mr. Pinchot for the Government of the United States, but for the benefit of the country-life commission. The commission was appointed without any authority of law, and the question is as to how they get the right to use the franking privilege.

Mr. LIVINGSTON (addressing Mr. Lawshe). You are doing not only that thing, but you are doing other things down there constantly that you have no authority in the world to do. You are passing mail matter franked that you ought not to. How can we get the department to look into that?

Mr. LAWSHE. I never saw this circular before, and it was never submitted to the department to determine whether they had a right to use the frank. We may have passed on the general question, and if the committee desires I will submit the correspondence, if there is any.

Mr. TAWNEY. The question presented to you was a different proposition. As I understand your first statement, it was that any member of the commission could use the frank of the Government if the subject-matter related to the business of the Government on which he was engaged. Now, Mr. Pinchot, a member of this commission, appointed without authority of law, has not, in my opinion, any greater right than any other member of that commission has to use the franking privilege in connection with business which may concern this commission on country life. The fact that he is in the Government service, employed in another capacity, under which other employment he has the right to use the frank, would not confer on him the right to use the frank in a capacity other than that in which he has been legally employed. As a matter of fact, so far as Mr. Pinchot's name is concerned, that circular was not sent out by him, but by the commission on country life.

Mr. LAWSHE. I have no idea by whom this was sent out. I never saw it before.

Mr. TAWNEY. They make a statement there themselves about the return mail.

Mr. BURLESON. I desire that the correspondence relating to this matter be embodied in these hearings.

Mr. Lawshe submits, after an examination of the records of the department, that there has been no correspondence concerning the use of the penalty envelope by the "commission on country life."

OTHER ABUSES OF THE FRANKING PRIVILEGE (AGAIN).

Mr. LIVINGSTON. Suppose that I am a government official. I can frank, supposing I concluded to do what you are doing down there—I can frank and send out under the frank of the Postmaster-General just whatever I please? Can I do it?

Mr. LAWSHE. No, sir.

Mr. LIVINGSTON. Then how can any other government official do it?

Mr. LAWSHE. You say we—meaning, I suppose, the Post-Office Department—have done this. We have not. The matter that goes under frank or penalty envelope is sealed, and we have no means of knowing what is inclosed. It is a matter of honor for an official to use his frank or the penalty envelope in accordance with the law and regulations.

Mr. BINGHAM. In your reply let us know just what your authority is as Third Assistant Postmaster-General over franked matter, and the character of reports you get from the special agents assigned to the investigation of such matters.

Mr. LAWSHE. There is no penalty provided for the misuse of the frank. We investigate all complaints coming to the department con-

cerning the alleged misuse of the franking privilege or the penalty envelope. During the recent campaign we had a number of complaints, and they were against members of both political parties. Each was given careful, nonpartisan investigation. Against the Republicans it was complained that certain addresses and documents were sent out that were not frankable; for instance, those postal cards you have referred to. It was held that those cards, as prepared, were frankable under the law. Instances were brought to the attention of the department in which Mr. Bryan's lecture on "The Prince of Peace" was placed with frankable matter. I do not recall that that lecture was ever delivered in Congress or printed in the Record. Every Congressman whose frank had been so misused disclaimed responsibility for it, and in so doing I believe he told the truth. In many cases I believe the franks are obtained in advance, and the people who place the matter within the envelopes do not know or realize that it is a misuse of the franking privilege to insert something in addition to what is frankable. In a case I have in mind a Member of Congress who placed some miscellaneous matter, including campaign buttons, in some envelopes bearing his frank. They were not addressed nor intended to be mailed. They were handed about personally, not distributed at first in the mails at all, but people who got hold of them, however, put them in the mails.

Mr. GILLET. Probably by inclosing them in an envelope bearing his frank he merely wanted to show that it came from him, just as if he had inclosed his card?

Mr. LAWSHE. Yes; I presume so.

Mr. BINGHAM. Was the political matter transported through the mails during the past campaign greater in amount than in other campaigns?

Mr. LAWSHE. People familiar with it in the department say that there was less of it in the last campaign than usual. This congressional franked matter only aggregates about $3\frac{1}{2}$ per cent of the total weight of the mails.

Mr. TAWNEY. I noticed in the paper a statement of the aggregate amount of frankable matter in dollars and cents. I understood it to be \$42,000,000. How do you arrive at that?

Mr. LAWSHE. I will show you. We take the results of the special weighings of the mails, as Congress directed, and as published by the Second Assistant Postmaster-General. We thus determine the percentages of the various classes of mail matter. We compute this matter as first-class or sealed matter, which it was in every case.

The statistics show that the department carried 53,156,094 pounds of second-class matter free in the county of publication—that is, free matter that would have yielded \$531,560.94 at the statutory rate of postage.

Mr. GILLET. That is practically the country papers?

Mr. LAWSHE. Yes; it shows, too, that the department carried 4,555,634 pounds of franked matter, which, if postage had been paid at the regular rate, would have yielded \$3,987,546.44.

Mr. GILLET. Is that under congressional franks?

Mr. LAWSHE. That is under congressional franks. The departmental matter transmitted, that is the penalty matter, amounted to 18,644,010 pounds, which had a postal value of \$16,362,131.95. All

that makes a total of 76,355,738 pounds, and a postage value of \$20,881,239.33.

Now, then, the Post-Office Department, in addition to what I have read, carried for itself and for the postal service 24,683,924 pounds of mail matter, rated as first-class, having a postal value, when so rated, of \$21,662,808.68.

Mr. TAWNEY. Let me put that in the record.

Mr. BINGHAM. Does that include supplies?

Mr. LAWSHE. We have taken a large amount of supplies out of the mails.

Mr. BINGHAM. Does that include freightage?

Mr. LAWSHE. No, sir; the figures quoted do not.

Mr. LIVINGSTON. Do you show in there what effect the abolition of the franking privilege would have on the receipts?

Mr. LAWSHE. A good deal of the matter that now goes through, sealed, would go unsealed if you charged the rate.

Mr. GILLET. The books we send out go as first-class matter, even if they are not sealed.

Mr. LAWSHE. If they are sealed they would be rated as first class.

Mr. GILLET. Everything that Congressmen send out is first class?

Mr. LAWSHE. Yes, sir; I think all of it is sent sealed.

Mr. TAWNEY. You stated from the report the amount of postage on matter distributed in the counties, matters such as newspapers?

Mr. LAWSHE. There was carried in the mails, free of postage, within the county of publication, 53,156,094 pounds of second-class matter.

Mr. TAWNEY. That was newspapers?

Mr. LAWSHE. That was newspapers.

Mr. TAWNEY. So that the privilege that the country newspapers have has cost the Government \$531,000?

Mr. LAWSHE. That is the postage which would have been derived at the statutory rate of 1 cent a pound. It costs more than that, however.

Mr. TAWNEY. It costs more than that to handle that mail?

Mr. LAWSHE. It costs us 8½ cents a pound to carry second-class matter, as an average, but the free county matter does not cost that because of the local delivery or short haul.

Mr. TAWNEY. Now, the next item there, that goes to make up this \$42,000,000 is what?

Mr. LAWSHE. Congressional franked matter is 4,555,634 pounds, with a postal value of \$3,987,546.44.

Mr. BINGHAM. That goes at what rate?

Mr. LAWSHE. We rate it at the average rate that we derive on matter of that class. It is sent sealed—as first-class matter.

Mr. BURLESON. A large per cent of that is government bulletins and publications sent out at the request of others.

Mr. LAWSHE. We realize on first-class matter .8753 cent per pound.

Mr. GILLETTE. That includes the seeds we send out?

Mr. LAWSHE. Yes.

Mr. BURLESON. And documents?

Mr. LAWSHE. Yes, sir; it includes all franked matter. This is the first time you ever had figures of this kind available. The penalty matter sent out by the executive departments was 18,644,010 pounds, having a postage value of \$16,362,131.95.

Mr. BINGHAM. That is domestic letter rates?

Mr. LAWSHE. Yes, sir; because it was sealed matter. If the clerk will copy this part of the report that I have marked, that will cover it.

Mr. LIVINGSTON. What do you mean by congressional franked matter? Do you mean matter franked by Members of Congress?

Mr. LAWSHE. "Franked matter" always relates to congressional matter. "Penalty matter" relates to matter sent out by the executive departments. One uses the penalty envelope and the other the franked envelope.

Mr. TAWNEY. In that statement which you have not completed, the amount of penalty matter sent out by the Post-Office Department has a postal value of \$21,662,808.68. The reason I call attention to that specifically is this: The newspapers carried this item this morning as though it was all franked matter, conveying to the public the impression that that is the postal value of the matter sent out by Members of Congress and Senators; and yet when you come to analyze it, there is only \$3,987,546.44 worth out of \$42,000,000, or more than \$42,000,000, that can be charged to Congress.

Mr. BURLESON. And the great bulk of that is these documents that are sent out to other people.

Mr. LAWSHE. Can you suggest, Mr. Tawney, a way by which I can get the newspapers to publish these figures correctly? [Laughter.]

Mr. TAWNEY. I have had knowledge of a great many newspapers criticising the franking privilege. I never knew before that they themselves were getting this amount of it.

Mr. LAWSHE. I want to call your attention to the fact that by legislation you provide a penalty of \$300 for each improper use of the penalty envelope, but no penalty is provided for the misuse of the franked envelope, so you see I am powerless to correct the abuses so far as the franked envelope is concerned further than to exact the legal rate of postage which should have been paid.

Mr. LIVINGSTON. I move, Mr. Chairman, that this committee ask the Third Assistant Postmaster-General to give his opinion on the question whether the circular issued by the Country Life Commission is frankable.

Mr. BINGHAM. Is there anything that forbids that matter going through the mails?

Mr. LAWSHE. Are you going to submit that to me formally? I would better not attempt to answer it informally.

Mr. TAWNEY. When he revises his testimony he can simply include his judgment as to that.

Mr. LAWSHE. That circular has never been before me officially, nor has it been brought to my personal attention heretofore. I do not think the department ever passed on it. Do I understand the committee wants an opinion on it?

Mr. TAWNEY. Yes, sir.

FREE SERVICE PERFORMED BY THE POST-OFFICE DEPARTMENT.

[From Annual Report of the Third Assistant Postmaster-General, 1908, pp. 9-10.]

The report covering the special weighings of the mail for the six months from July 1 to December 31, 1907 (H. Doc. 910), furnishes statistics upon which to base calculations approximately accurate as to the revenue which would have accrued to the Post-Office Department for the fiscal year 1908 if postage at the usual rates had been paid on all matter carried free in the mails for the public and for the other executive departments.

In the following table the volume of second-class matter delivered free in the county of publication is considered at the statutory rate of 1 cent per pound, and the departmental penalty matter and congressional franked matter is rated as sealed or first-class matter, which it ordinarily is, at the known average rate per pound derived from first-class matter of \$0.8753. (See Table Y, H. Doc. 910.) The proportion of penalty matter chargeable to the postal service, estimated at 56.97 per cent, based on the report of the special six days' weighing of the mails, December 18 to 24, 1907 (Table Za), is not included.

Class of matter.	Estimated weight.	Estimated postage.
	<i>Pounds.</i>	
Second-class matter.....	53,156,094	\$531,560.94
Franked matter.....	4,555,634	3,987,546.44
Penalty matter.....	18,644,010	16,362,131.95
Total.....	76,355,738	20,881,239.33

It is not contended that the department is entitled to credit for this sum without a corresponding charge to it for gratuitous service it receives from other departments, notably reasonable annual rental for post-office quarters and equipment in government buildings provided by the Treasury Department, concerning which no figures are available, but the facts presented have statistical value nevertheless.

The Post-Office Department, in addition to the foregoing, carried for itself and for the postal service 24,683,924 pounds of mail matter usually first class, having a postal value, when so rated, of \$21,662,808.68.

Based on the cost of handling and transporting second-class mail matter of 8½ cents per pound (see p. 32), the Post-Office Department during the year 1908 gave to the people, through the publishers of newspapers and periodicals entered as second-class matter, approximately \$57,000,000 in uncompensated service, this amount being the cost of handling and transporting 746,357,282 pounds of second-class matter over and above the direct revenue derived therefrom.

Mr. Lawshe submits that the circular submitted is, as such, not frankable, but that there possibly might be conditions under which it would be frankable by a Member of Congress or mailable under a penalty envelope by an official of the Government.

POST-OFFICE DEPARTMENT.

CONTINGENT EXPENSES.

STATEMENT OF MR. CHARLES A. CONRARD, CHIEF CLERK.

FUEL, INSTALLATION, ETC.

Mr. BINGHAM. You will observe in the second paragraph, on page 236, the italicized print, that you want to include "installation" and "purchase of tools and electrical supplies, and the removal of ashes" in the item for fuel and repairs to heating, lighting, and power plants and elevators, amounting to \$40,000, the same as the current law. Have any of those details of expenditure been thrown out by rulings of the comptroller?

Mr. CONRARD. No.

Mr. BINGHAM. How have you met this obligation before?

Mr. CONRAD. As to the purchase of tools: The tools used in the engine room are purchased out of "Fuel, etc.," and those for elevators are purchased from the same appropriation, while tools used in performing other work, such as shovels and hods and scales for weighing fuel and ashes, are purchased out of the "Miscellaneous" appropriation. My idea was to consolidate, if possible, some of these appropriations in order that we might have a better system of keeping the accounts and of purchasing the supplies. Now take, for instance, the word "installation." If we should want to put in a small filtration plant or something of that sort, which would not cost very much money, we would have to pay for it out of the miscellaneous appropriation, or if we should want to connect up with the power plant a machine for clearing carpets throughout the building, we would have to pay for that out of the miscellaneous appropriation, which would not be large enough to stand it.

Mr. BINGHAM. In other words, you are willing to go into greater detail?

Mr. CONRAD. Yes, sir.

Mr. BINGHAM. As to the removal of ashes, that is included in the fuel proposition?

Mr. CONRAD. Yes. As I understand it, the expense of removing ashes is always carried as a charge against a power plant.

Mr. GILLET. When you add "installation" to the fuel item, is that for the installation of anything new? If so, you should have a specific appropriation. You should not have a general fund like this from which you could install a new apparatus. Our theory is that you should have a specific appropriation for that. That is our theory.

Mr. CONRAD. We have not anything special in mind that we want to purchase.

Mr. GILLET. Then, why do you want that in—"installation," and so forth?

Mr. CONRAD. In case we should want it, then we would have it.

Mr. TAWNEY. If that language were in there your authority to install new equipment would be unlimited, or limited only to the aggregate amount of your appropriation of \$40,000, and you could spend the whole of it for that. That is the reason for requiring specific estimates.

Mr. CONRAD. Yes; I understand. Take, for instance, a motor. We have to pay for it out of miscellaneous.

Mr. GILLET. Exactly. That is our idea, in small things like that.

Mr. CONRAD. And we may not have enough money left in the miscellaneous appropriation.

Mr. GILLET. If the amount for one thing is smaller, the amount left over for other things will be greater.

Mr. CONRAD. We have asked for the consolidation of a number of miscellaneous items, but in this particular proposition a motor, it seems to me, is covered by the word "installation."

Mr. GILLET. That covers a great deal, and some time, if you wanted some big piece of apparatus that you ought to specify, you could just take it out of this. I would be inclined to think the committee would be rather slow to make that change. Our endeavor is to make the miscellaneous just to cover little incidental things such as you speak of, and one year there will be an accident in one line,

and in another year an accident in another line. This, if it was allowed, would take the place of that miscellaneous fund.

Mr. CONRARD. It might be an ordinary machine of some sort that we would have to have.

Mr. GILLET. That is what the miscellaneous fund is for, is it not?

Mr. CONRARD. Yes, sir; but you are getting back to the same proposition again. We may not have enough money to buy it.

Mr. GILLET. Your miscellaneous fund is what is found year by year to be necessary to supply those accidents and emergencies.

Mr. CONRARD. It is not sufficient. There are a great many things we can not buy because our miscellaneous appropriation is too small. We have not enough typewriters and adding machines and such labor-saving devices, and the appropriation is not large enough for us to purchase what we need.

Mr. GILLET. Why don't you specify what you want?

Mr. CONRARD. An adding machine would not be installation. That would be a "miscellaneous" item purely.

Mr. TAWNEY. How many tons of coal do you consume down there and pay for out of this appropriation?

Mr. CONRARD. The advertisement for coal for the Post-Office Department is included in the general advertisement for miscellaneous supplies purchased at Washington for use of the executive departments and other government establishments. This advertisement is published annually on a day fixed by the Secretary of the Treasury, in accordance with the provisions of section 3709, Revised Statutes.

The advertisement for the supplies for the fiscal year 1909 was issued March 11, 1908, and the bids were opened April 15, 1908. The current contract for coal runs for one year from July 1, 1908.

Estimates of quantity of coal required for use of the Post-Office Department buildings at Washington are prepared in the office of the chief clerk and sent to the purchasing agent, who has supervision of the purchase of all supplies for the Post-Office Department and postal service. Specifications and blanks for bids are prepared by him and distributed among dealers in and producers of coal. On the day named in the advertisement all proposals received are opened and examined by a committee selected from the clerical force of the department, which is required to submit a report giving the names of the bidder or bidders to whom, in its opinion, an award should be made. These proposals, with a statement from the Postmaster-General, setting forth what action he proposes to take concerning them, are then forwarded to the Secretary of the Treasury for examination by the treasury board, provided for in section 3709. After this examination an award is made, and a formal contract is drawn and executed in accordance therewith.

All of the coal which is now being purchased for use of the executive departments in Washington is purchased under contracts which are nearly identical. The specifications used were suggested by the fuel committee which was appointed by the President last year and were adopted by this department, as well as the other departments. Payment is made for the coal delivered on the basis of a percentage of ash contained therein, as shown from analyses as made by the fuel-testing laboratory, Geological Survey.

When coal is purchased a requisition is prepared in this office and sent to the purchasing agent, who signs it and transmits it to the contractor. When the coal is delivered a representative of the de-

partment is present to verify the weights. Samples are taken from each lot of coal and tested by the Geological Survey.

The price of coal under the current contract is \$4.35 per ton (for anthracite pea coal).

The price during the fiscal year 1908 was \$4.42 per ton, and 4,600 tons were purchased.

The yearly estimate submitted to the purchasing agent is for 6,000 tons.

Expenditures from 1908 appropriation, including deficiency appropriations.

Title.	Amount of appropriation.	Amount expended.
Stationery, etc.....	\$20,000.00	\$19,949.08
Fuel, etc.....	40,000.00	* 33,354.75
Gas, etc.....	1,500.00	115.46
Telegraphing.....	4,500.00	4,454.48
Painting.....	1,600.00	1,598.72
Plumbing.....	1,000.00	506.50
Carpets, etc.....	1,000.00	989.64
Furniture.....	2,500.00	2,469.29
Indexes, etc.....	2,500.00	2,496.90
Horses and wagons.....	2,750.00	2,735.16
Miscellaneous.....	18,750.00	18,613.44
Rent (storage).....	3,000.00	3,000.00
Rent (stable).....	500.00	500.00
Postal Guide.....	25,000.00	21,570.20
Postage stamps.....	750.00	750.00

* Of this appropriation \$20,332 was spent for coal and \$13,022.75 for various purposes, including valves, packing, repairs to boilers and engines, repairs to elevators, electrical supplies and lamps, and miscellaneous items for the power plant.

GAS AND ELECTRIC LIGHTS.

Mr. TAWNEY. Mr. Conrard, section 4 of the legislative, executive, and judicial appropriation act approved June 22, 1906, provides that—

Hereafter the estimates for expenses of the Government, except those for sundry civil expenses, shall be prepared and submitted each year according to the order and arrangement of the appropriation acts for the year preceding. And any changes in such order and arrangement, and transfers of salaries from one office or bureau to another office or bureau, or the consolidation of offices or bureaus desired by the head of any executive department may be submitted by note in the estimates. The committees of Congress in reporting general appropriation bills shall, as far as may be practicable, follow the general order and arrangement of the respective appropriation acts for the year preceding.

Now, the current law carries an item for gas and electric lights, \$1,500. You omit that estimate entirely, and at the bottom of page 236 you have this note: "The estimates for gas and electric lights are submitted in connection with estimates for the service appropriation."

Mr. CONRARD. Yes, sir.

Mr. TAWNEY. Why do you not follow the provision of the act I referred to in submitting your estimates for gas and electric lights?

Mr. CONRARD. I will say this, Mr. Chairman, that the omission of the explanation which should have accompanied it—

Mr. TAWNEY. Is there any explanation which can justify the failure or omission to comply with that statute? Do you mean the item was omitted?

Mr. CONRARD. No; the explanation was omitted.

Mr. TAWNEY. I ask you, is there any explanation of the failure to comply with that section?

Mr. CONRARD. Yes, sir.

Mr. GILLETT. What is your explanation?

Mr. CONRARD. It is this: Until the 1st of July, 1907, we had a number of rented buildings, the Rink Building and the Busch Building, in which were located the division of supplies and part of the division of rural delivery, and another building on C street, in which was located the mail-bag repair shop, and another building on First street NE., in which was located the mail-lock shop. This appropriation for gas and electric lights was to cover that expense in all those buildings except the bag shop and the lock shop. On the 1st of July, 1907, we moved into the annex building at First and K streets northeast. The Committee on Post-Offices and Post-Roads handled the proposition, and an appropriation of \$32,000 was made for the rent of suitable buildings for the use of the Post-Office Department, including the mail-bag repair shop, the lock repair shop, and the division of supplies.

Mr. TAWNEY. What bill was that?

Mr. CONRARD. The bill for the postal service. Following that is an item for electric power and light and repair of machinery in said buildings, \$5,000.

Mr. GILLETT. So that really it was in both bills last year?

Mr. CONRARD. It was in both bills last year. While we moved out of these four buildings into what are termed the "annex buildings," we still have the stable, and we still have the building which belongs to the Treasury in the block south of the Post-Office Department, in which we have our carpenter shop. We have to have gas in those two buildings, of course, and if it were not for those two buildings we could not spend this appropriation at all, because there is no other place in which we could do it.

Mr. GILLETT. Because you have gone out of the buildings for which this appropriation was made?

Mr. CONRARD. Yes; substantially all of them. We have not estimated for the \$1,500. The estimate has been made in connection with the postal service estimate.

Mr. TAWNEY. How much have you estimated in connection with the \$1,500—in what form?

Mr. CONRARD. We have estimated it in this way: Instead of stating "for electric power and lights and repair of machinery in said buildings, \$5,000," we suggest "for gas, electric power and lights, and repair of machinery, \$6,250," an increase of \$750; so it means a net reduction in the total of the two appropriations of \$750, and it simplifies matters and consolidates the accounts under one appropriation.

Mr. GILLETT. Still it does this, don't you see, on the face of it: It looks as if you were making an appropriation of \$1,500 less this year, whereas, really, you are making more. That is, anybody who is going through the legislative bill and looking at the appropriations would say, "Why, they have reduced their appropriation \$1,500." Really, you have increased it by about \$5,000.

Mr. CONRARD. Oh, no.

Mr. GILLETT. Will not this new building cost you a great deal more?

Mr. CONRARD. As a matter of fact, the appropriation for light and power in the other buildings was not sufficient last year. About the 1st of last June we cut off one elevator and several machines, as well as approximately half of the lights.

Mr. GILLETT. That is irrelevant. You pay a great deal more in your new quarters for doing the same work than you were spending before in your old quarters. You are using more gas and electric light than before, whereas it looks on the face of it as though you were using less.

Mr. CONRARD. Yes. Perhaps this note should have stated that while this item has been omitted from the estimates the actual decrease would be \$750.

Mr. TAWNEY. Here is something you entirely overlooked. The amount or the reduction of the amount is not so material, but your policy necessarily tends to confuse the departmental expenses with the postal service expense. The appropriation that you have added this \$750 to is a service appropriation, just the same as if you had these service buildings down here over in Baltimore or any other place, and it would be just as competent for you, assuming that these buildings were somewhere else, to add the amount to the appropriation for maintaining these service buildings, while as a matter of fact it is a matter of departmental expense and not of service expense.

Mr. CONRARD. Yes. As an actual fact, it is as much departmental as the Rink and Busch buildings were, except they were appropriated for in this bill, and the annex is appropriated for in the other bill.

Mr. TAWNEY. Which bill is that?

RENT OF BUILDINGS.

Mr. CONRARD. The appropriation for the annex now is made in the postal service bill.

Mr. TAWNEY. How do you come to pay it out of that?

Mr. CONRARD. The appropriation is made in the postal service bill.

Mr. GILLETT. When was that?

Mr. CONRARD. Since the 1st of July, 1907.

Mr. GILLETT. We do not think that ought to be so.

Mr. TAWNEY. You do not carry the Postmaster-General's salary in that bill, do you?

Mr. CONRARD. No, sir. It is a matter that I have not had anything to do with, but it is not postal service any more than the Rink and Busch buildings were postal service, which, I understand, were paid for out of the departmental appropriation.

Mr. TAWNEY. It was departmental work that was going on in them, and they were paid out of the departmental bill; that is, the legislative bill. That is our effort, to keep the departmental expenses distinct and separate from the postal service expenses. Now, how much of this \$750 will be used, if it is appropriated for in the service appropriation bill, for defraying the expense of gas and electric lights in the buildings used by the department for departmental work?

Mr. CONRARD. They are all used for departmental work. All these buildings, in my opinion, are the same. They are all departmental.

Mr. TAWNEY. The whole service, then, would be departmental. For the same reason you might call the entire service departmental.

Mr. CONRARD. I mean that the carpenter shop and the division of supplies, in my opinion, should be on the same footing, as the appropriation for the employees is made in the same bill, but we would use in the departmental end of this appropriation something like \$350. That would be a liberal enough estimate.

Mr. GILLETT. You mean that is for gas and electric lights?

Mr. CONRARD. Yes, sir.

Mr. BURLESON. Ought not that whole thing to go into this bill?

Mr. BINGHAM. You have rented at First and K streets the large building wherein to-day a part of the Third Assistant Postmaster-General's work is done. Is that right?

Mr. CONRARD. Yes.

Mr. BINGHAM. Did the Post-Office Department carry that contract in the service bill, or did you ask for it in this bill as an addendum to the Post-Office Department?

Mr. CONRARD. I was not there when that happened.

Mr. BINGHAM. How is the rent paid now?

Mr. CONRARD. Out of the postal-service appropriation.

Mr. BINGHAM. And further than that, the Third Assistant Postmaster-General has part of his office in it?

Mr. CONRARD. Yes; the Division of Stamps and the Division of Redemption are there.

Mr. BINGHAM. Then the rental and the contracts are carried in the service bill, and not carried in any bill coming from this Committee on Appropriations.

Mr. CONRARD. Yes, sir.

Mr. GILLETT. Whereas the work down there is just as much departmental as any of the work?

Mr. CONRARD. Yes. Except the mail bag and lock work.

Mr. BINGHAM. What is the amount of it?

Mr. CONRARD. Thirty-two thousand dollars.

Mr. BINGHAM. Is it a four-year contract?

Mr. CONRARD. It is a ten-year contract which began on the 1st of July, 1907.

Mr. TAWNEY. Is any part of that building used in the dispatching of mail?

Mr. CONRARD. You mean as a post-office?

Mr. TAWNEY. Yes.

Mr. CONRARD. No. Of course, we dispatch some mail from there, but—

Mr. TAWNEY. I mean such a building as you would have in some other city for the collection or dispatch of mail on a train?

Mr. CONRARD. No.

Mr. BURLESON. From what fund is that rent paid for the K street building?

Mr. CONRARD. From this postal-service appropriation, for rent for 1909.

Mr. LIVINGSTON. This is a specific appropriation made by the Post-Office Committee?

Mr. CONRARD. Yes.

Mr. BURLESON. A lump sum?

Mr. CONRARD. Yes; so much for the building.

Mr. TAWNEY. Is there a specific appropriation for the rent of this building, in which the amount is stated?

Mr. CONRAD. Yes; here it is:

For rent of suitable buildings for the use of the Post-Office Department, including the mail bag repair shop, lock repair shop, and the division of supplies, thirty-two thousand dollars: *Provided*, That the Postmaster-General is authorized in his discretion to enter into a contract for the rent of suitable buildings in the vicinity of the railroad tracks for the use of the Post-Office Department for the period of ten years.

For electric power and light, and the repair of machinery in said buildings, five thousand dollars.

Following that, the Postmaster-General made the contract, and the premises at First and K streets NE. were leased, while the buildings theretofore rented, except the stable, were vacated.

Mr. TAWNEY. Where is the appropriation? That is the authority. Where is the appropriation?

Mr. CONRAD. Here it is:

For rent of suitable buildings for the use of the Post-Office Department, including the mail bag repair shop, lock repair shop, and the division of supplies, thirty-two thousand dollars: *Provided*, That the Postmaster-General is authorized in his discretion to enter into a contract for the rent of suitable buildings in the vicinity of the railroad tracks for the use of the Post-Office Department for the period of ten years.

Mr. GILLET. That is the item in the post-office appropriation bill?

Mr. CONRAD. Yes, sir.

Mr. BINGHAM. That occurs each year in the post-office appropriation bill?

Mr. CONRAD. Yes, sir; except the proviso.

Mr. TAWNEY. For what year was that passed?

Mr. CONRAD. For 1908.

Mr. TAWNEY. What does the current law provide?

Mr. CONRAD. Thirty-four thousand four hundred dollars. The buildings were found to be insufficient to handle the business. The division of supplies did not have enough room, so a warehouse adjacent, right across the alley, was secured.

Mr. COURTS. The provision reads:

For rent of suitable buildings for the use of the Post-Office Department, including the mail-bag repair shop, lock repair shop, and the division of supplies, thirty-five thousand two hundred dollars. And eight hundred dollars of said sum shall be immediately available.

Mr. CONRAD. It will not be \$35,200 annually. It will be \$34,400 annually, because \$800 of it was made immediately available to cover several months' occupancy of the warehouse in the fiscal year 1908.

Mr. TAWNEY. This appropriation is made for the rent of a building for the use of the Post-Office Department. That is departmental, so much of it as is used by the department, and should be charged to a departmental expense. Now, the repair of mail bags and locks, and so forth, is a service expenditure and not a departmental expenditure. That is classed as a service expenditure, is it not?

Mr. CONRAD. Yes.

Mr. BINGHAM. The post-office and post-roads bill covers the purchase and repair of locks and bags and all those items. Those are all contained in the general appropriation bill for the postal service.

Mr. CONRAD. That part of the expenditure is a service expenditure, and that part of the appropriation expended for the rent of this building on account of the department is a departmental expenditure.

Mr. BINGHAM. It is just an annex to your Post-Office Department building here in this city.

Mr. TAWNEY. So that if you make your estimates in this way you might as well consolidate all these department expenditures in the post-office appropriation bill. If this practice could be followed generally, it could be done. The department could very easily straighten the matter out by estimating so much to cover the expense of the department and the remainder of the appropriation to cover the expense of the postal service at large.

Mr. CONRARD. Of course, if we take that big building, under your idea of the thing we have part department and part postal service in the same building. How are we going to segregate them for expenses?

Mr. LIVINGSTON. When you come to estimate for us estimate for departmental expenses, and when you come to estimate for the outside service make your estimates for the Post-Office Committee.

Mr. TAWNEY. You know the number of square feet and cubic feet in your building, and you know how much you are paying per square foot, and you can easily ascertain how much is occupied for postal service and how much for departmental service. What this committee would like to do would be to keep separate and distinct, if possible, the departmental expenditures from the postal-service expenditures.

Mr. GILLET. Is that building largely departmental, or largely service?

Mr. CONRARD. It is largely service, if you count the mail-bag shop and the lock shop and the Division of Supplies. We have 69 clerks in the Division of Supplies to take care of the records and shipments. Is that departmental or postal service? How are you going to segregate it?

Mr. TAWNEY. I do not know, but I think it is easy enough to draw the line between the departmental service and the postal service. We have no pride about its being in one bill or the other, but it is important for Congress to know how much of the money that is appropriated is being expended for departmental purposes and how much of it is being expended for the postal service.

Mr. BURLESON. And it tends to confuse the mind if they are carried in both bills.

Mr. GILLET. And we can not tell anything about it.

Mr. CONRARD. Congress made this appropriation for us. You understand I was not chief clerk of the department when the appropriation was made, but I know it is bound to be confusing.

Mr. TAWNEY. I think the better way would have been for you to have made your estimate of how much you need for this service, and to have accompanied that with a note recommending that it be taken out, and giving the reasons. That would have been complying with section 4 of the legislative act.

Mr. CONRARD. If this item were left in the bill, it could be reduced to \$350. We have to have something to pay for the gas and electric lights in those other buildings. You realize my position.

Mr. TAWNEY. If this is carried at \$350, you could make a corresponding reduction in the other appropriation?

Mr. CONRARD. Yes; I can do that.

MISCELLANEOUS ITEMS.

Mr. BINGHAM. On page 237 you increase your appropriation from \$18,750 to \$25,000 for miscellaneous items. What have you added to that which will now appear elsewhere?

Mr. CONRAD. We have added the items of plumbing, \$1,000; for carpets and matting, \$1,000; furniture, \$2,500; indexes and filing devices, \$1,500; and postage stamps, \$750. That we use in corresponding with individuals in foreign countries. We have to pay the postage on that correspondence.

Mr. COURTS. They propose to consolidate into one item three or four different items; and in doing that, \$25,000 is sufficient, as against \$29,750 for the same items if separately appropriated for next year.

Mr. CONRAD. Yes; and it will save a lot of work.

DEPARTMENT OF JUSTICE.

STATEMENT OF MR. HENRY C. GAUSS, PRIVATE SECRETARY TO THE ATTORNEY-GENERAL.

TEMPORARY EMPLOYEES TO BE MADE PERMANENT.

Mr. GAUSS. Mr. Chairman, besides the increases asked in the lump appropriations contained in this bill, the chief need of the Department of Justice is for the additional number of clerks asked in the estimates. There is a current appropriation to carry on suits in regard to lands in the Indian Territory. We have got some temporary people under that appropriation. We will absolutely need their services after this temporary work is done to take care of the very considerable increase in the regular work of the department.

Mr. BINGHAM. It is not yet finished?

Mr. GAUSS. No, sir. The increase is permanent work, work that will go on. You see, they are adding special attorneys from time to time, and we have to take care of them in the way of stenographic work. It does not pay to let a three or four or five thousand dollar man lie idle because we have not got a \$900 or a \$1,000 clerk to take his dictation. If the increases asked for in the higher grades are granted it will give opportunity for promotions in the lower grades, and we will fill in new people in the lower grades to take care of the extra work.

Mr. GILLET. How much of this is promotion and how much increased force?

Mr. GAUSS. There would be two promotions all down the line coming from the estimated increase in the number of clerks of class 4.

Mr. GILLET. How much new force?

Mr. GAUSS. Two there and three further on. That would make five new clerks.

Mr. GILLET. Five new ones?

Mr. GAUSS. Yes; seven clerks of class 4, instead of five; that is two; one additional in class 2, and two more clerks of class 1, mak-

ing five altogether. Six new places are estimated for, but one is for the clerk now appropriated for as a telegraph operator. And there would be a net increase of five.

Mr. BINGHAM. That covers your entire wishes?

Mr. GAUSS. That is practically everything, sir, unless you wanted me to say something about the appropriations for miscellaneous expenses and stationery.

Mr. BINGHAM. That covers all the department work?

Mr. GAUSS. Yes, as to salaries. The other changes in the estimates are all readjustments.

I would like to say that it would be a very great convenience to the disbursing clerk if you could consolidate all the offices in one paragraph, as they appear on pages 245 and 246. It does not change the law, but gathers them together so that he would not have to keep three or four different rolls.

Mr. BINGHAM. You mean to consolidate \$344,000 plus \$32,000 in one?

Mr. GAUSS. No; but to take this form instead of the previous form. You see, last year, when you made the temporary employees permanent, you carried the language "now authorized to be paid," etc., with the result that the disbursing clerk has to keep a separate roll of those employees. Now, if we cover them all in one paragraph under this item on page 241 that would be a matter of convenience. I want to emphasize that, simply because we would like to have that done.

Mr. COURTS. The reason why they appear in separate paragraphs now is because the committee wanted it to appear in the appropriation act of last year that you were picking up certain employees who were paid from lump appropriations and placing them on a statutory basis.

Mr. BINGHAM. I think that is understood.

STATIONERY—FURNITURE.

Mr. GAUSS. Now, on page 248, on stationery, they want a thousand dollars more. On page 247 they want a thousand dollars more for furniture. I suppose they could get along with \$500 more, but for the stationery I think they ought to have at least \$1,000 more.

Mr. GILLET. Are you running short?

Mr. GAUSS. It is cramping us. It is keeping us pretty close. We have to furnish stationery for special agents in the field that we never had before, who are doing the work formerly done by the secret service men.

Mr. BURLESON. That is a 25 per cent increase. Is not that a particularly healthy increase?

Mr. GAUSS. You know the story about the newspaper man who boasted that his circulation in a certain suburban town had doubled when he had sold one copy one day and two the next? A thousand dollars goes quickly, you understand.

Mr. BURLESON. It would, as compared with \$4,000.

Mr. GAUSS. We have 18 or 20 men doing special agent work all over the country, and we have to supply them with stationery. I

suppose \$30 a year each would be a very moderate estimate of the stationery they use.

MISCELLANEOUS EXPENDITURES.

The next is miscellaneous expenditures. We have an estimate there for \$5,000 increase at the bottom of page 249. We need as much of that as you can give us. Those three buildings down there occupied by the department proper are extremely extravagant for heating and upkeep. We have to use electric heaters at different places, because we have no other way of heating the rooms. Each of those costs as much as 65 incandescent lights, and they eat up the money pretty fast. We would like at least \$2,000 or \$3,000 extra there.

RENT OF BUILDINGS.

If you make that \$23,000 for rent we could get along.

Mr. TAWNEY. Will there be a deficiency in your contingent expenses this year?

Mr. GAUSS. I do not think so, but we need more money.

Mr. BINGHAM. What rent do you pay for that building?

Mr. GAUSS. I think about \$20,000 a year. There are three buildings. I think our total rent is about \$23,000, including all the rented space in various buildings.

Mr. BINGHAM. You make all repairs?

Mr. GAUSS. Yes, sir.

Mr. BINGHAM. How long does the lease run—ten years?

Mr. GAUSS. I could not say as to that. We make all the repairs. There are three dwelling houses. The one on Fifteenth street has a furnace. The old Baltic Hotel has a steam plant, and the one on Vermont avenue, the old Lowery house, has a furnace.

HEATING PLANT.

The expense is increased by keeping those old heating plants going all winter, and besides we have to burn cannel coal, and it is extremely expensive. It costs \$10 to \$15 a ton. For \$5,000 you can put in a heating plant there. You would probably have to have one fireman at night, just the same, but you can save work in the daytime, and it will save on the fuel. That would be a good investment for anybody to take the amount we are paying to heat those buildings and put a \$5,000 plant in there.

Mr. BURLISON. That depends on how long you will keep the old buildings.

Mr. GAUSS. We will keep them until the new building is built. They have just started to condemn the land now, and it will be four or five years before we get into it.

Mr. BINGHAM. Do present conditions give you comfort in the buildings? Without reference to what you might save, are you comfortable?

Mr. GAUSS. Yes; we manage to keep comfortable. There are one or two rooms that are not available. We could use them if they were heated.

Mr. TAWNEY. How much can you reduce these miscellaneous expenditures if this were to be done?

Mr. GAUSS. I would not want to make an estimate on that. It is too far in the future. It would undoubtedly give us some money to use somewhere else. [Laughter.]

Mr. GILLET. The Government would not save anything, then?

Mr. GAUSS. I suppose there would be no question but that there would be a saving if there were no increases elsewhere. You could reduce your fuel bill so that you could pay a handsome dividend on that \$5,000. There is no question about that at all.

Mr. TAWNEY. If this plant should be put in there it would then become a part of the realty?

Mr. GAUSS. No. We put in one at No. 6 Jackson place with the stipulation that it may be taken out when the building is given up—a steam-heating plant. I do not think we could get much for it, but you could get something.

Mr. BURLESON. We have just sold a magnificent building for \$1,000. [Laughter.]

Mr. BINGHAM. I think if you are comfortable, that is the most desirable condition.

Mr. BURLESON. You will be in the new building in three years?

Mr. GAUSS. I hope we will, but I have some doubts.

Mr. LIVINGSTON. If you are in it in six years you will do well. It will take two years to condemn that property, and then you may have to back down and begin again.

CLERK OF CLASS 4 IN OFFICE OF SOLICITOR OF DEPARTMENT OF COMMERCE AND LABOR.

Mr. GAUSS. The only other thing is on page 250. That is an additional clerk for the office of the solicitor of the Department of Commerce and Labor. He wants an additional clerk of class 4. His work is increasing there, and he feels that he ought to have it.

DEPARTMENT OF JUSTICE,
Washington, November 28, 1908.

HON. JAMES A. TAWNEY,

Chairman Committee on Appropriations, House of Representatives.

MY DEAR MR. TAWNEY: In explanation of the changes submitted by this department in the estimates for the legislative, executive, and judicial appropriation bill, I beg to submit the following for the use of the subcommittee having this bill in charge. The estimates are taken up in the order in which they appear in the committee's draft of the bill:

1. Five instead of four assistant attorneys, at \$2,500. This increase is caused by dropping the "assistant attorney in charge of dockets" and combining that position with the assistant attorneys. There is no change in salary. The dockets formerly kept by the assistant attorney in charge of dockets have been transferred to the chief clerk's office and the attorney assigned to other duties.

2. Assistant attorney in charge of dockets, \$2,500, omitted; see explanation above.

3. Law clerk and examiner of titles. I recommend that the designation of this title be changed to "attorney in charge of titles," as being more appropriate than "law clerk and examiner of titles," which designation was fixed a great many years ago. The change suggested is in keeping with other titles, such as "attorney in charge of pardons."

4. An increase is asked for of two clerks of class 4, one clerk of class 2, and three clerks of class 1, including the position of "telegraph operator and stenographer," which it is suggested be combined with the \$1,200 clerks. These increases in the force of the department are made necessary by the rapid and

continued growth of the business of the department. If these additional positions are allowed, they will, as a matter of fact, be filled by the transfer of clerks now necessarily employed on temporary rolls.

5. One messenger at \$960, and a decrease of one at \$340. This is to provide for the messenger who acts as a chief messenger for that branch of the department located at the building at No. 6 and No. 8 Jackson square, and who was formerly paid \$960 per annum from the lump-appropriation for defending suits in the Court of Claims. When the positions under these appropriations were transferred to the statutory roll last year, by an oversight this position was not included, and it therefore became necessary on July 1 last to reduce the messenger occupying this position to \$840. The change now suggested is merely to restore him to his former salary.

6. Eight assistant messengers instead of six are asked for and two conductors of the elevator are dropped. It is recommended that the positions known as "conductors of the elevator" be combined with the assistant messengers, the salary being the same. The small elevator in the Department of Justice is operated by any of the messengers, and to avoid any complications under the civil-service rule or examinations it is believed the change suggested is advisable. The elevator is hardly of sufficient importance to have the operator dignified by the title "conductor."

7. In the estimates I recommended that transfers from the "division of accounts" to "office of the Attorney-General" be made as follows: One clerk at \$1,600, one at \$1,400, two at \$1,200, and one packer at \$900, for the reason that the persons occupying the positions mentioned are now assigned to the chief clerk's office and are no longer serving in the division of accounts. These changes, however, do not appear to be included in the draft of the bill, but if the list of salaries as given on page 245 is adopted, no further action will be necessary, as these transfers are provided for in the list as there submitted.

8. The next change, on page 243, merely continues those positions which were last year transferred from the lump appropriations.

9. On page 245 provision is made for transferring one assistant attorney at \$3,500 and one clerk at \$900 from the appropriation for enforcement of the anti-trust laws. This recommendation is in keeping with the practice, inaugurated last year, of transferring the permanent employees under lump appropriations to statutory positions.

10. Contingent expenses, furniture, and repairs. An increase of \$1,000 is asked for. This increase is made necessary by the constant and rapid growth of the department and the inadequacy of the present appropriation of \$3,000. The expenses under this appropriation include not only furniture as ordinarily understood, and repairs to furniture, but also carpets, file cases, shelving, etc. Last year the item of file cases alone amounted to about one-third of the entire appropriation.

11. Stationery. An increase of \$1,000 is requested. The explanations made in the preceding paragraph as to the inadequate appropriation for furniture apply also to the appropriation for stationery. Moreover, the employment of a considerable number of special agents throughout the country during the past year has given rise to a large increase in this appropriation.

12. Miscellaneous expenses. An increase of \$6,000 is submitted in the estimates. This appropriation includes, besides miscellaneous expenditures, all fixed charges, such as fuel, electric current for lights and elevator service, telephone and telegraph service, purchase and repair of typewriting machines, etc. In all of these items there has been a large and unavoidable increase during the last few years, and the present appropriation is insufficient to meet the needs of the service. A year ago an additional building was rented, which must, of course, be heated and lighted and supplied with telephone service. The general increase in the business of the department and the employment of a constantly increasing force necessarily calls for an increase in expenditures all along the line. In fact, in April or May of last year the department was threatened with the possibility of having to discontinue its telephone and telegraph service in order to avoid deficiencies, and it was only by curtailing other expenses that this situation was avoided.

Of the appropriation for the current year, after reserving a sufficient amount to meet probable fixed charges, such as fuel, electric current, telephone and telegraph service, there is a balance of but \$3,800.

13. For the purchase and installation of a heating plant, \$5,000. In explanation of this item. I would say that the three buildings occupied by the department on K street are heated by three separate heating plants. The main build-

ing is heated by steam, and the two outside buildings are heated with hot-air furnaces. No one of these plants adequately heats the building in which it is installed. Several of our office rooms are heated by stoves or electric heaters. Furthermore, the arrangement of having three separate heating plants is a very expensive and inconvenient way of heating the buildings, it being necessary to keep up three fires, where only one would be required with a central heating plant. I have obtained estimates for installing a central heating plant, and have ascertained that one could be put in for not more than \$5,000. Such a plant would afford ample heat for all the rooms of the department, and be much more economical in the amount of fuel used. You are, of course, fully aware of the condition in which the department is placed with regard to its office accommodations. Besides the economical feature above mentioned, an adequate heating plant would add much to the comfort of the occupants of the building.

14. Office of the Solicitor of the Department of Commerce and Labor, page 250. An increase of one clerk of class 4 is requested. This increase is recommended by the Solicitor of the Department of Commerce and Labor, and is necessary to keep up with the constant growth of the work of his office.

I shall be pleased to appear before your committee and explain the items above mentioned if it is so desired, but as the number of changes is so few, it appeared to me that this explanation by letter would answer every purpose.

Very truly and respectfully yours,

CHARLES J. BONAPARTE,
Attorney-General.

DEPARTMENT OF COMMERCE AND LABOR.

STATEMENT OF HONORABLE OSCAR S. STRAUS, SECRETARY OF COMMERCE AND LABOR.

Secretary STRAUS. I am at a little disadvantage to-day, because the Chief of the Bureau of Accounts, who has special charge of the accounts, is ill. We were under the impression that this hearing would probably come up a week later.

Mr. TAWNEY. We expect to have the bill passed by the House a week later.

Secretary STRAUS. Unfortunately, the Chief of the Bureau of Accounts is sick to-day and so I am at a little disadvantage.

ASSISTANT TO THE SECRETARY.

Mr. TAWNEY. Take up the matters in your office. There are only two items that I can see. One is an assistant to the Secretary at \$4,000 a year, and the other is a chief watchman at \$900 a year.

Secretary STRAUS. Yes, sir.

I want to say this: The Department of Commerce and Labor has been growing continually, as was to be expected. The work grows, and we have only one Assistant Secretary. The result is that there is too much work for the head of the department, more than any one man can do and keep his health properly. All my life I have been accustomed to do hard work and I like it, but I need some additional help. I want to expand as slowly as possible. It occurred to me that probably the best way to get rid of a considerable amount of the detail which under the law I have to do would be to recommend what I have recommended, an assistant to the Secretary. I have put it in that form because there are so many branches of work under the Department of Commerce and Labor that consist of field work.

That is to say, it is work that is not in Washington, being, of course, national, and for good administration I need a man who is thoroughly conversant with expenditures and accounts, and who can go to these various branches of field work, overhaul the service, and make reports to me, to see that there are not unnecessary men employed and that there are not unnecessary expenditures, and I believe with such an assistant I could save the Government a great deal. Take, for instance, the Immigration Service, which is scattered all over the country under commissioners of immigration and under inspectors. It is impossible, of course, for me to go, else I would have to travel all the time. By sending him I could see whether more men were employed than ought to be employed and whether we were not expending too much money. I have been doing a little of that, as much as possible. Take, for instance, the shipping commissioners; take, for instance, the Bureau of Fisheries and all the several bureaus that have field work; I feel that I have not sufficient supervision of that field work.

Mr. LIVINGSTON. You mention the Bureau of Immigration. What has become of all the money that comes in under the head tax? You are using the money, I understand, but who spends it and where is it spent?

Secretary STRAUS. Of course, that subject is coming up by itself.

Mr. LIVINGSTON. But I am bringing it up as an illustration.

Mr. TAWNEY. I think I can probably answer that. It is expended by authority of Congress in the construction of buildings.

Mr. LIVINGSTON. That does not account for all of it. Can you give us an itemized statement of the expenditures of the Bureau of Immigration?

Secretary STRAUS. Yes; I can give you an itemized statement.

IMMIGRATION COMMISSION.

Mr. LIVINGSTON. Can you tell us what it cost for the congressional party's trip abroad?

Secretary STRAUS. You mean the commission that was appointed under the last immigration act?

Mr. GILLET. About a year ago.

Secretary STRAUS. I can only give you the amount of money that they have drawn from the immigration fund.

Mr. LIVINGSTON. That is what I am after.

Secretary STRAUS. I can give you the sum total, but I can not give you any of the items of expenditure. They are not under my jurisdiction in any form, shape, or manner.

Mr. TAWNEY. Under whose jurisdiction are they?

Secretary STRAUS. Under the jurisdiction of that commission. That commission simply makes drafts upon us for \$25,000 or \$50,000 at a time.

Mr. TAWNEY. Who audits their accounts?

Secretary STRAUS. I can give you no answer upon that subject.

Mr. TAWNEY. Their accounts must be audited.

Mr. BURLESON. Their accounts are audited by the Auditor for the State and other Departments.

Secretary STRAUS. They are entirely outside the jurisdiction of the Department of Commerce and Labor.

Mr. LIVINGSTON. Can you furnish us with an itemized statement as to the expenditures at Ellis Island?

Secretary STRAUS. Yes, sir.

Mr. BURLESON. You can put in your remarks the amount that they have drawn from the immigration fund?

Secretary STRAUS. Yes, sir; I can give you a statement of the amount of money they have drawn.

Mr. BURLESON. When you come to revise your remarks, put it in.

Secretary STRAUS. I certainly can. Only yesterday or the day before they drew \$15,000.

Mr. GILLETT. The law authorizes them to do that?

Secretary STRAUS. Yes, sir.

Mr. LIVINGSTON. Have they developed or secured any information so far that we could not have gotten out of your department, to the best of your knowledge and belief?

Secretary STRAUS. I do not feel that I am in a position, as the head of the Department of Commerce and Labor, to answer that question, for the reason that I am not informed, except in a small degree, of the line of work they have done.

Mr. BURLESON. Surely you can state whether they have brought any information to you which has been of value to you as head of your department.

Mr. BINGHAM. Did the act of Congress give you in any way authority as to their action or responsibility as to their action?

Secretary STRAUS. It did not.

Mr. BINGHAM. Therefore, you know nothing about it officially?

Secretary STRAUS. No, sir.

Mr. LIVINGSTON. Will you designate somebody in your department—and I know you have him—who can give us the information I have asked for? Have they developed so far anything to the advantage of the Government or the country or the world that could not have been obtained right out of your office?

Secretary STRAUS. I think I am about as competent to answer that question as perhaps anybody in the department.

Mr. LIVINGSTON. I think so, too.

Secretary STRAUS. I have no objection to designating anyone in the department if you have in view anybody in the department that you desire to come before you. I do not want you to misunderstand me on that subject. I want to make it as clear as it is possible to make it.

Mr. LIVINGSTON. You see what I want to get. I want to get the expense and the value of that expense to the country, if I can.

Secretary STRAUS. I understand.

Mr. LIVINGSTON. How much value have they been to us?

Secretary STRAUS. I understand that, but, as I said, it is impossible for me or anyone in the department to give you a comprehensive or satisfactory answer to your question, because neither I nor anyone else in the department is entirely conversant, with the exception of the assistant secretary of the department, who is also a member of the Immigration Commission.

Mr. LIVINGSTON. I should think he was competent.

Secretary STRAUS. He ought to be competent to answer that question because he has knowledge of what the commission has performed as well as what is done in the department. Assistant Secretary

Wheeler, I should think, would be able and ought to be able to answer that question, not because he is Assistant Secretary of the Department of Commerce and Labor alone, but because he is a member of that commission and subsequently was employed as Assistant Secretary of the Department of Commerce and Labor.

Mr. TAWNEY. How many years has this commission been working?

Secretary STRAUS. It organized in accordance with the last immigration act, section 39, I think.

Mr. TAWNEY. Three years ago?

Secretary STRAUS. No; about a year and a half ago. The act went into effect on the 1st of July, 1907. I think that it is in accordance with that provision of law.

Mr. TAWNEY. The expenses of the commission were appropriated out of the permanent appropriation?

Secretary STRAUS. Out of the immigration fund.

Mr. TAWNEY. That is a permanent fund?

Secretary STRAUS. Yes, sir.

Mr. TAWNEY. It is one of the permanent annual appropriations.

Secretary STRAUS. I want to answer a little further the question of Mr. Livingston. There have been some matters brought to the attention of my department by members of that commission in reference to an investigation made, especially in connection with the Chinese immigration and particularly in southern California, which are not yet concluded, showing certain irregularities in that service which have been of benefit to the department.

Mr. BURLESON. Of minor benefit?

Secretary STRAUS. I should say of minor benefit.

Mr. TAWNEY. Were the discoveries made of such a character that an intelligent immigration agent or inspector could not ordinarily have made the same discoveries in the exercise of his duties?

Secretary STRAUS. All the matters that have been brought to the attention of the department by this commission were such that the department itself could have readily discovered them.

Mr. BINGHAM. That commission makes its report to Congress and not to you?

Secretary STRAUS. That is correct.

Mr. BINGHAM. And further than that, the item in this bill under your department that covers the salaries for the Bureau of Immigration is in no wise connected with the special act for the organization of this commission?

Secretary STRAUS. Not in any way.

Mr. BINGHAM. The commission is wholly independent?

Secretary STRAUS. Yes, sir; that is very correct. I think it will be found that considerable of the work of the commission has been run on lines that the department works on.

Mr. TAWNEY. Who constitute this commission?

Secretary STRAUS. There are three members of the Senate, three members of the House, and three members appointed by the President. The three members appointed by the President are Commissioner Neill, of the department; Mr. Wheeler, who since his appointment on that commission has been appointed Assistant Secretary of the Department of Commerce and Labor; and Professor Jenks, of Cornell University.

Mr. TAWNEY. What is the life of the commission?

Secretary STRAUS. There is no life fixed for it.

Mr. BURLESON. Is it perpetual?

Secretary STRAUS. There is no life fixed.

Mr. TAWNEY. There is no tenure of office?

Secretary STRAUS. No, sir.

Mr. TAWNEY. And the expense is about \$300,000 a year?

Secretary STRAUS. I think, according to my best recollection, it has cost at the rate of about \$300,000 a year, maybe a little less.

Mr. LIVINGSTON. How long was the commission abroad?

Secretary STRAUS. I am unable to answer that question. I think not all the members were abroad. I know Mr. Neill was not; he had too much work here.

Mr. TAWNEY. Mr. Secretary, I see that, among other things, section 39 of the immigration act creating this commission provides that:

Such sums of money as may be necessary for the said inquiry, examination, and investigation are hereby appropriated and authorized, to be paid out of the "immigrant fund" on the certificate of the chairman of said commission, including all expenses of the commissioners and a reasonable compensation, to be fixed by the President of the United States, for those members of the commission who are not members of Congress.

There are three members of this commission who are not members of Congress. What compensation has the President fixed for those three members?

Secretary STRAUS. I can not tell you from accurate knowledge; but my belief is that the amount that they are entitled to receive is \$7,500 a year.

Mr. LIVINGSTON. And expenses?

Secretary STRAUS. Yes, sir.

Mr. TAWNEY. Two of the members appointed by the President on that commission are holding office under the Government now?

Secretary STRAUS. Yes, sir.

Mr. TAWNEY. Commissioner Neill and Assistant Secretary Wheeler, of the Department of Commerce and Labor?

Secretary STRAUS. Yes, sir.

Mr. TAWNEY. Do they receive \$7,500 in addition to their salaries as Commissioner of Labor and as Assistant Secretary of the Department of Commerce and Labor?

Secretary STRAUS. No, sir.

Mr. TAWNEY. Do they not receive the salaries allowed by law as Commissioner of Labor and as Assistant Secretary of the Department of Commerce and Labor?

Secretary STRAUS. My understanding is that to their present salaries is added an amount to equal \$7,500. In other words, the Assistant Secretary of the Department of Commerce and Labor's statutory salary is \$5,000, and, I think, he receives out of the fund of the commission an additional \$2,500, making \$7,500. Of course, they will be able to answer that question.

Mr. TAWNEY. I did not know whether you knew it or not.

Secretary STRAUS. I know it from hearsay.

Mr. TAWNEY. The compensation received by Professor Jenks is \$7,500?

Secretary STRAUS. That is my understanding.

Mr. TAWNEY. He is not in the Government's employ?

Secretary STRAUS. He is not; no, sir.

Mr. TAWNEY. And he receives that compensation without regard to the amount of time he devotes to the work of the commission?

Secretary STRAUS. I think the commission will have to answer that question, because I do not know.

Mr. TAWNEY. This law also authorizes the President of the United States to call, in the name of the United States, an international conference to assemble at such point as may be agreed upon, or to send special commissioners to any foreign country for the purpose of regulating by international agreement, subject to the advice and consent of the Senate of the United States, the immigration of aliens to the United States. Has there been any conference of that kind called?

Secretary STRAUS. No, sir.

Mr. TAWNEY. Have any commissioners been sent abroad under this authority for the purpose specified in this act?

Secretary STRAUS. Not to my knowledge.

Mr. LIVINGSTON. As to the amount of money drawn from this fund, what is the necessity of establishing stations at Charleston and New Orleans? I am specific about those two places because I want to illustrate. Not an immigrant ship has or ever will land there from now to judgment day.

Secretary STRAUS. That is not true, because immigrant ships have landed there.

Mr. LIVINGSTON. One, but that was by a prearrangement.

Secretary STRAUS. I can not tell you. That was before my time. I am unable to say about that.

Mr. LIVINGSTON. How about New Orleans?

Secretary STRAUS. That was before my time. I can tell why these stations were established.

Mr. LIVINGSTON. By whom were they established?

Secretary STRAUS. By Congress. I am willing to assume all responsibility that fairly belongs to the head of the department.

Mr. LIVINGSTON. I hope you will not assume the burden that rests on Congress.

Secretary STRAUS. I hope not.

I think an investigation or report would enlighten Congress as to some of those stations, at any rate, that they are not needed at the present time.

Mr. TAWNEY. That is putting it mildly?

Secretary STRAUS. That is putting it mildly, because I wish to speak very mildly when I refer to Congress.

Mr. BINGHAM. Had not the immigration fund been called upon by the commission would you have had ample funds to meet all your requirements?

Secretary STRAUS. Yes, sir; we would have had ample funds.

Mr. BINGHAM. That is what placed you in the false position in relation to your subordinate force, as you stated?

Secretary STRAUS. I will not say "false position."

Mr. BINGHAM. Uncomfortable position?

Secretary STRAUS. Yes, sir. I would like to answer that in this way: Of course, every draft upon that fund, whether it was a draft that was made by Congress in making appropriations for the immi-

gration stations, or whether it was a draft that was made by this commission, had the same effect.

Mr. TAWNEY. Who is the chairman of this commission?

Secretary STRAUS. Senator Dillingham.

Mr. BINGHAM. Who are the members in the House aside from Mr. Bennett?

Secretary STRAUS. Aside from Mr. Bennett, they are Mr. Howell, of New Jersey, and Mr. Burnett, of Alabama. Do you want the Senate members?

Mr. BINGHAM. Yes, sir; if you please.

Secretary STRAUS. Senator Dillingham, Senator Lodge, and Senator McLaurin.

Mr. TAWNEY. The payments under this law are made out of the immigration fund on the certificate of the chairman of the commission?

Secretary STRAUS. Yes, sir.

Mr. TAWNEY. You are obliged to honor any certificate or any draft on that fund which is certified to by the chairman of the commission, provided there is any money in the fund?

Secretary STRAUS. Yes, sir.

Mr. LIVINGSTON. Without its being audited?

Secretary STRAUS. Yes, sir.

Mr. TAWNEY. Without audit?

Secretary STRAUS. Yes, sir; the demand is met in the form you have stated.

Mr. TAWNEY. The act expressly authorized that to be done and you have no discretion in the matter if the money is there?

Secretary STRAUS. None at all.

ASSISTANT TO THE SECRETARY (AGAIN).

May I say another word in reference to the assistant to the Secretary? I do not want to burden the committee. I have a little statement which I would like to read into the notes.

Mr. BINGHAM. Will the addition of the census work multiply the work subject to your examination, as well as the Assistant Secretary and this assistant which you ask for; will it add to the work you now have?

Secretary STRAUS. It will to a degree, because that part of the census work, especially the appointments which have to be approved by the Secretary, will largely increase the Secretary's work.

Mr. BINGHAM. And that would be a justification for this additional assistant?

Secretary STRAUS. I think that that would not be a sufficient justification.

Mr. BINGHAM. The census act has not been prepared, and it will depend a good deal on how that act is drawn. If it is drawn the same as previous acts have been drawn it will put some additional work on the Secretary?

Secretary STRAUS. Yes, sir.

The work of the department has grown so rapidly during the preceding two years that it is absolutely necessary to have an assistant to the Secretary who is thoroughly familiar with the general work of the several branches of the department to whom the Secre-

tary can assign routine business to be transacted, thus relieving the Secretary and Assistant Secretary from such business in order that their attention may be devoted to constructive work and the policies to be carried out in the department relating to commerce and labor. It is believed that much routine work and expenses incident thereto can be saved by the establishment of such a position. The routine administrative work of the department along well-established lines of policy and business method is so great in the present organization of the Secretary's office that a very considerable portion of the time of the Secretary and the Assistant Secretary is devoted to the consideration of such business and the routine of signing letters and orders relating thereto. If this routine work could be assigned to such an officer it would promote the efficiency of the Secretary's office.

Much of the routine work that should be concentrated in such a position is now unsatisfactorily cared for by two or three chiefs of division in the Secretary's office, whose regular duties require their constant daily attention. When these extra assignments are given them their regular duties necessarily suffer and the regular work of their divisions falls in arrears.

At the present time there are three precedents for the establishment of such a position in the Secretary's office of the Department of Commerce and Labor. There are authorized by law an assistant to the Attorney-General, at \$7,000 per annum; an assistant and chief clerk to the Secretary of War, at \$4,000 per annum, and an assistant to the Secretary of the Interior, at \$2,750 per annum.

Mr. TAWNEY. Right there, Mr. Straus. The assistant to the Secretary of War is also chief clerk, and performs the duties of chief clerk of the War Department. You have a chief clerk in addition to the assistant?

Secretary STRAUS. That is true.

Mr. TAWNEY. The assistant to the Secretary in the Department of the Interior also performs the duties of appointment clerk, which position he formerly occupied.

Secretary STRAUS. I do not know as to that.

Mr. TAWNEY. And because of certain duties that the Secretary of the Interior wanted to impose upon the appointment clerk he was made an assistant to the Secretary of the Interior. That is the reason for his designation as assistant to the Secretary of the Interior. The same is true of the chief clerk of the War Department. Some additional duties were imposed upon the chief clerk of the War Department, which entitled him to the additional designation. It was not for the purpose of performing the duties of assistant to the Secretary exclusively that either one was authorized. I merely mention that as an historical fact, because this committee created those positions.

Secretary STRAUS. I wish to present this idea to the committee, that if for any reason you prefer not to give me an assistant to the Secretary, I would then ask that you give me another assistant secretary. It is absolutely necessary. I have worked at the rate of eleven hours a day on an average since I have been the head of this department. Most agreeable and sympathetic work it has been, otherwise I could not have done it; but there are so many great, important questions that come under the scope of this department, that are so humane and so important, which I think would appear

if you gentlemen could find time to read my annual report, that it is worth while to give the head of the department more freedom to help work out these great sociological questions that come under the domain of this department.

Mr. TAWNEY. If you were a less sympathetic man, Mr. Secretary, do you not think that you could unload a great deal of the work that you are personally occupied in doing on the chiefs of your bureaus and other subordinates?

Secretary STRAUS. Mr. Tawney, I will answer that question: As I understand it, the law has placed certain important discretionary powers and also powers of decision in the head of that department. I would feel that I was derelict in my duties if I should delegate that discretion. I would feel in the same position as the judge of a court would feel—this power of decision, for instance, in reference to immigration, the final power of appeal is to the Secretary—if I would delegate that power, which in some instances involves domestic tragedies, to some one else.

Mr. TAWNEY. I did not ask that question with a view to criticism.

Secretary STRAUS. I know. I feel somewhat conscientious upon this subject and so I am in Washington nearly all the time. I feel it is my duty and I have no right to delegate that to anyone else. I am very sure that you would feel the same way.

Mr. LIVINGSTON. Would not you encounter the same trouble in delegating the duties to the assistant?

Secretary STRAUS. Those are not the duties that I would delegate to my assistant. They are those duties which I am now performing which are not of that nature. As a business proposition, I need a high-class official.

Mr. TAWNEY. Do you not think, as a matter of fact, Mr. Straus, that if greater responsibility was imposed upon your subordinates in respect to the determination of some of the things, the matters of detail, it would tend to make them more careful in discharging their duties and obviate, to a certain extent, the necessity of that supervision which you now exercise over their work? Is it not human nature that they become more or less dependent upon you, knowing that the work is going to be reviewed by you finally, and therefore exercise less care than they otherwise would?

Secretary STRAUS. I think that is not quite a proper inference because administratively they have that power, and there is enough responsibility upon them to bring out their fullest efficiency. You take such a bureau as the Bureau of Labor, there is about as much responsibility as any one man can carry upon him. There are certain cases where it is necessary for him to come to me, and then we consult together, where I must decide, but I do not think that any of the chiefs of bureau are lacking in sufficient ability to bring out their highest capacity as it is being administered at the present time.

CENSUS CLERK.

Under the organic act there was transferred from the office of the Secretary of the Interior a position known as "clerk of class four," to act as census clerk. He has been employed in the Secretary's office ever since, in connection with the regular work of the Secretary's office. Every year in submitting estimates the department

has omitted the phrase "including one census clerk," for the reason that it is superfluous, and I suggest that it be omitted from the act, as it has no bearing on the position.

CHIEF WATCHMAN.

When the department was organized the first estimates were submitted so as to organize a watch force under a captain of the watch for all the bureaus of the department. This scheme did not meet with the approval of Congress, but an appropriation was made for a captain of the watch at \$1,200 per annum. In subsequent estimates it was proposed to reduce the position to chief watchman at \$900 per annum, which proposition did not receive the sanction of Congress, I believe, for the reason that there was a person in the position at the time of the contemplated reduction of the salary. During the last month the person occupying the position died, and I have not filled the position because I do not believe that the responsibilities of it are such as to warrant the payment of compensation at the rate of \$1,200 per annum.

The watchman at the entrance to the Secretary's office building has responsibilities between the hours of 9 a. m. and 3 p. m. which are greater than those of the watchmen in the building during the remaining period of every twenty-four hours. For these reasons I have estimated for the compensation of the position at \$900 per annum. He supervises the other watchmen and is held responsible for the time and conduct of the charwomen.

IMMIGRATION COMMISSION (AGAIN).

Mr. TAWNEY. How much of the time of the Assistant Secretary is devoted to the duties of the Immigration Commission?

Secretary STRAUS. I am unable to answer that question.

Mr. BURLESON. Is he absent from the office to any marked degree or extent?

Secretary STRAUS. No.

Mr. BURLESON. Whatever time he devotes to that work, he devotes after office hours?

Secretary STRAUS. I prefer that you ask him about that, because I really am not able to answer.

Mr. BINGHAM. Is there any other part of the bill that you desire to call our attention to?

Secretary STRAUS. If it is in order I would like to call your attention to a matter which I consider of the highest importance, namely, to the Bureau of Naturalization, and also at some other time than now to the requests that we make for the Bureau of Manufactures. May I in this connection just say another word?

I want to say that in going over and making up the estimates for your committee I have probably not followed the customary way. I have gone over the estimates with the chiefs of division in the department as carefully as any head of a business could go over the estimates and expenditures of his great business, to make those expenditures as low as possible, considering the efficiency of the service that is required. In other words, everything that I have asked for in my estimates I have asked for with a feeling of thorough consciousness that

I needed it, and I have not asked for a single dollar more than I thought was absolutely necessary. I have been told that I made a mistake in doing that.

Mr. TAWNEY. I want to say that the items under the head of the Bureau of Immigration, in respect to the enforcement of the naturalization law, belong in the sundry civil bill and will be considered in connection with the estimates from the Department of Justice, which are also carried in the sundry civil bill. This is not the proper place for that.

Secretary STRAUS. We fear that it was not clearly put before you and that it was not properly understood, but we are very clear about it now.

CONTINGENT EXPENSES.

Mr. BINGHAM. For "contingent expenses," on page 273 of the bill before you, you ask for \$60,000. This year we gave you \$50,000?

Secretary STRAUS. Yes, sir.

Mr. BINGHAM. And you now ask for \$60,000?

Secretary STRAUS. Yes, sir.

Mr. BINGHAM. Please give us your reasons for the increase.

Secretary STRAUS. On account of the fiscal year ended June 30, 1908, over \$59,000 of the appropriation of \$60,000 made for that year for the contingent expenses has been expended. The Bureau of Naturalization was organized during the fall of 1906, pursuant to an act of Congress approved June 29, 1906, and an appropriation of \$100,000 was made to defray the expenses of organization, from which clerical help and the incidental expenses during the fiscal year ended June 30, 1907, were paid. During the fiscal year ended June 30, 1908, it was necessary to pay the contingent expenses of that bureau from the appropriation for contingent expenses of the department. The volume of the work of this division is constantly growing, and the quantity of stationery necessary to carry on the correspondence with the courts assuming jurisdiction in naturalization matters under the act of June 29, 1906, has increased in the same proportion. The number of petitions and declarations by those desiring to become citizens of the United States have constantly increased since the passage of the act, and the number of certificates of naturalization used will correspondingly increase.

In order to inaugurate a system by which the department can keep a check on the number of petitions and declarations filed in the different courts so as to assure that the proportion of the fees due the department will always be paid, it has been necessary to print the petitions and declarations on a distinctive paper, so as to require the clerks of the courts to account for each form of petition and declaration furnished to them. The naturalization act requires that the certificate of naturalization shall be printed on a safety paper, which makes the printing of these forms expensive. It is expected that the expense of these forms during the current fiscal year will be more than \$5,000, which will be an increased expense against the appropriation for contingent expenses, because the present supply of these forms was paid for from the regular appropriation of \$100,000 made for the purpose of organizing the Division of Naturalization.

This appropriation has in the past always been economically used, as is apparent from the fact that in 1905 a balance of \$30,682.26 was

carried to the surplus of the Treasury out of an appropriation of \$75,000. In 1906 a balance of \$37,617.38 was carried to the surplus of the Treasury out of an appropriation of \$75,000, and of an appropriation of \$60,000 for 1907 there is an unexpended balance of \$11,166.23, which will be carried to the surplus of the Treasury in accordance with existing law at the present time.

I will ask for a deficiency appropriation of \$10,000 for "contingent expenses" for the present year.

Mr. BINGHAM. The next item is, "The accounting officers of the Treasury Department are hereby authorized and directed to credit in the accounts of H. R. Burrill, special disbursing agent, Department of Commerce and Labor, the sum of \$40."

Mr. TAWNEY. That belongs in the deficiency bill.

RENT OF BUILDINGS.

Secretary STRAUS. For rent of buildings, I want the same amount as was appropriated last year.

Mr. BINGHAM. Are they annual rentals?

Secretary STRAUS. Yes, sir.

The increase in appropriation for rent of \$14,280.20, allowed in the appropriation for the current year, has not been wholly used, for the reason that the proposition which I had under consideration when I last appeared before this committee fell through, as the parties owning the building I had hoped to rent were unwilling to make all the changes necessary to adapt their building to office purposes.

As the Director of the Census needed the space occupied by the Bureau of Manufactures in the building rented for the use of the Bureau of the Census, space was rented in the Adams Building, 1335 F street, for the accommodation of that bureau, at an annual rental of \$2,400 per annum.

On account of the growth of the work of the Division of Naturalization, two additional rooms have been rented for the use of that division in the Munsey Building, at the rate of \$300 per annum, leaving a balance of \$11,520.20.

In order that the agents employed to investigate the condition of woman and child workers in the United States might write their reports under the supervision of the Commissioner of Labor, \$2,123.32 have been used of the additional appropriation for rents for rooms in the Munsey Building to quarter these agents during the time of writing their reports. The leases for these rooms will expire December 31, 1908.

The Division of Supplies of the Secretary's office was transferred to the building occupied by the Bureau of the Census over a year ago, because of the crowded condition of the offices in the Willard Building, in Fourteenth street, in which the Secretary's office, Bureau of Corporations, and the Bureau of Immigration and Naturalization are housed. This became necessary because of the increased work in the Bureau of Corporations by reason of reports ordered by Congress and the formation under an act of Congress of the Division of Information in the Bureau of Immigration and Naturalization. During the next year it will be necessary to organize a force for the work of the next decennial census, so that it will be necessary to

again move the Division of Supplies either to the Willard Building, in Fourteenth street, or to other quarters.

The quarters occupied by the Light-House Establishment, Steamboat-Inspection Service, and the Bureau of Navigation are unsuited for the purpose, because the rooms are not large enough, and for the very grave reason that the building is not regarded as altogether secure, and the rats are destroying the records of the department belonging to these services. Every effort to obtain new quarters in some other section for these services and the Division of Supplies that will have to be removed from the Willard Building if the Bureau of Supplies is moved in there has been forestalled, for the reason that quarters in suitable localities can not be obtained for the unexpended balance of \$11,520.20 of the appropriation and \$7,600 for the rent of the present quarters occupied by the Light-House Establishment, Steamboat-Inspection Service, and Bureau of Navigation.

I have not asked for another increase in the appropriation for rent in the hopes that the movement of the office section of F street toward New York avenue and H street may result in lowering the rental rates for offices now prevailing in the neighborhood of my office.

You gave me last year an increase of \$15,000.

Mr. TAWNEY. What is the unexpended balance?

Secretary STRAUS. Eleven thousand dollars.

Mr. TAWNEY. What progress have you made in getting the other building?

Secretary STRAUS. It fell through, because we could not pay for it, but I was enabled by having this leeway to bring two of my bureaus, whose work is cognate, together—the Bureau of Manufactures and the Bureau of Statistics. The Bureau of Manufactures was crowded out of its quarters in the Census Building. I must bring about several other coordinations and this addition will enable me to do that. It is very difficult. The department is spread all over the city of Washington. You see, I handle your money very economically. I have stated the reasons why I want you to give me the same appropriation.

BUREAU OF MANUFACTURES.

May I make a preliminary remark about the Bureau of Manufactures?

Mr. BINGHAM. Certainly.

Secretary STRAUS. The Bureau of Manufactures, when properly expanded, will do the greatest work possible for the commerce of this country. I have given it a great deal of thought and attention. I think that we ought to be able to give to our commerce, especially so far as our exports are concerned, all the assistance that we legitimately can in order to enable our manufacturers to properly compete in the markets of the world.

As you know, our export business is becoming more and more a matter of great importance to this country, and in the line of this work I have begun, in connection with the Bureau of Manufactures, a very important movement, namely, a national council of commerce, bringing together all of the leading commercial bodies of the country and encouraging them to establish a permanent office in Washington, so that the Department of Commerce and Labor and the other

departments of the Government having to do with commerce can co-operate with the commercial and manufacturing associations of the country in order to be advised and in order to advise. For instance, recently we had to send representatives to Europe in connection with negotiations on the subject of tariffs in Germany and France. That involved the assistance of some of the leading manufacturers and merchants of the country. Such a council is able to be at the service of the Government. It is what other countries have. In this council there are already about 60 of the leading commercial bodies of the country, representing as many cities. They will have their first annual meeting in the Department of Commerce and Labor building on the 10th of December, and I cordially invite you gentlemen to be present at that very important meeting. That is the kind of work we are doing in connection with the Bureau of Manufactures.

Mr. TAWNEY. You are doing that work under the paragraph on page 252 of the bill, "For compensation at not more than \$10 per day?"

Secretary STRAUS. No; not a dollar of government money is being used for that purpose.

Mr. TAWNEY. It is entirely independent of the government service?

Secretary STRAUS. Entirely independent; but it increases the work of the bureau, because when the commercial bodies get familiar with what the Government can do the correspondence increases enormously and the work of the bureau increases. This is entirely unofficial.

Mr. BINGHAM. It is a voluntary act on their part?

Secretary STRAUS. Yes, sir; which we are bringing about.

Mr. BINGHAM. And they represent the boards of trade of the country?

Secretary STRAUS. Yes, sir. It is one of the agencies employed for the promotion of commerce.

Mr. LIVINGSTON. What about the commission which you sent to Germany?

Secretary STRAUS. I did not send a commission to Germany.

Mr. LIVINGSTON. There was a commission sent to Germany?

Secretary STRAUS. That commission was sent by the State Department.

Mr. LIVINGSTON. On what authority?

Secretary STRAUS. On the authority of law.

Mr. TAWNEY. Under the authority of law which authorized the President of the United States for the purpose of negotiating a commercial treaty.

CLERICAL SERVICES.

Mr. BINGHAM. Mr. Carson, you ask for an increase of \$3,400 for clerical services for your bureau for the next fiscal year. Please give us the reason for that increase.

Mr. CARSON. The slight increases asked for are for what might be called the mechanical force, to keep up the current work of the bureau. The work has gone far beyond the capacity of our force. We are collecting a great mass of commercial and industrial information through the consular service and through our special agents.

Secretary STRAUS. Plus the information we are gathering for Congress in connection with tariff legislation. That is very important.

Mr. CARSON. This is the routine work of the bureau. It has grown to such an extent that we are compelled in answering our letters to tell the inquirers, whom we invite to write to us for reserved information, that owing to the inadequacy of our force we are unable to supply the information, and invite them to name some one to come and get the information which we have offered to give them. I need the additional \$900 clerks to keep up that record, by which we hope we will be able to promptly and expeditiously distribute this information to applicants, but which we have not been able to classify. It is all in a chaotic state, and requires a great deal of time to get at it.

The publications have more than doubled in the three years, and we have had no increase in the force. Our daily has reached almost the statutory limit. There are nine thousand eight hundred odd printed now, and when we started there were about 4,100. We revised the list, cut off everybody who should be cut off, and recently we have cut out both Houses of Congress. If we put you gentlemen on now we will be beyond the statutory limit. We have had no assistance to handle this large increased volume of work. I have asked for two laborers at \$480 each. We ought to have in addition to what I have asked for one or two high-priced clerks, men who could handle and edit manuscripts.

Mr. LIVINGSTON. Do you think that the additional clerks that you want are absolutely necessary?

Mr. CARSON. Yes, sir; they are absolutely necessary if we are to make anything like a respectable showing with the work we have in hand.

Secretary STRAUS. I have certainly gone over the work of the bureau with Mr. Carson, and I fully indorse the request that he makes, or rather that I make for him.

COLLATION OF TARIFFS.

Mr. CARSON. In regard to the collation of tariff, under the law the Bureau of Manufactures is required to collect, collate, translate and convey foreign terms into American equivalents, weights, measures, and currency, for the sum of \$5,500. We have three men engaged in that work.

Mr. BINGHAM. Are those men in your clerical list?

Mr. CARSON. No, sir; they are outside. That is a separate division and is appropriated for in a lump sum. We ought to have at least ten men in that division to do the work that we are required to do.

Mr. TAWNEY. A great part of the increase in the work in this particular branch of your bureau is due to the collection of information for the Committee on Ways and Means, now engaged in the preparation of a tariff law?

Mr. CARSON. Oh, no. In that division we have done relatively nothing. We have gotten out some little data for them, two or three days' work, perhaps.

Mr. BINGHAM. Thus far?

Mr. CARSON. Yes, sir. But we hope to be able, with the assistance of Congress, to make that such a depository and repository with respect to the tariffs of the world that when you gentlemen in the legislative branch want information we can give it to you immediately. There is no place under this Government where you can get

tariff information. My own opinion is that if you build this tariff division up you will avoid asking for a tariff commission. There are 156 countries and colonies with tariffs, all of which we have come under our notice through their official publications. We have to follow all those publications.

Mr. BINGHAM. Those official publications are all furnished to you?

Mr. CARSON. Yes, sir; but we have to read them, and it requires time and labor. We have to collate them and keep up with them. It is just as important for us to know of a proposed change in tariff as a legislative enactment. All of those things we have to follow.

Mr. LIVINGSTON. You can not secure secret tariff treaties?

Mr. CARSON. They do not come to us.

Mr. LIVINGSTON. Such an one as was made with Germany, can we get that confidential treaty from you?

Mr. CARSON. We have received communications that are confidential, but whether they are confidential or not, is a matter of opinion. I do not think they are confidential, but we have to observe the confidence which the State Department imposes on them.

Mr. TAWNEY. If it is of a confidential character, it is merely pending consideration and ratification by the United States?

Mr. CARSON. As a rule.

Mr. TAWNEY. And until it has been ratified and confirmed it is of no force and does not do anybody any harm.

Mr. LIVINGSTON. This is in force to-day.

Mr. BURLESON. Mr. Livingston says it is in force. He seems to know more about it than anybody else.

SPECIAL AGENTS.

Mr. CARSON. I thought you gentlemen might want some information about the special agents.

Mr. TAWNEY. How many special agents have you?

Mr. CARSON. Six. We had last year, during the course of the year at times, not at all times, but at different times, as many as eight perhaps, but we had to cut them down.

Mr. TAWNEY. Is the naval officer included in the six?

Mr. CARSON. Yes, sir; he is in the six. We save money on him, you know.

Mr. TAWNEY. You do, but the Government does not.

Mr. CARSON. His salary is paid. He would get that money no matter where he was.

Mr. TAWNEY. Yes, sir. We might utilize a few more of them in connection with our foreign trade to better advantage.

Mr. LIVINGSTON. Who are the six men?

Mr. CARSON. We have Mr. Pepper. He is a general observer and a man of large experience. We have Mr. Perkins on cotton-seed products, Mr. Clark on cotton fabrics, Mr. Davis on milling industries, Mr. Dennis on agricultural implements, and Captain Carden on machine tools. Each of those men, with the single exception of Mr. Pepper, was selected by the several industries they represent, and some of them were selected by elimination.

Mr. LIVINGSTON. Who selected the cotton man?

Mr. CARSON. The cotton manufacturers of the Southern States. The cotton-seed-oil men met and by elimination selected this man.

Secretary STRAUS. I regard the appointment of these special agents as one of the wisest provisions which has ever been made. They are doing the work of aiding commerce in a much more effective way than the foreign governments are doing the same thing. The department has received more acknowledgments from the manufacturing and commercial bodies of this country for the work of these six special agents than any other branch of work it is performing, and I am pleased to say to you that there has not been a particle of political influence or politics allowed to enter into the selection of these men. We have done it on the very highest business principles.

Mr. BURLISON. There was some pressure?

Secretary STRAUS. There was considerable pressure.

Mr. TAWNEY. That pressure was not limited to the Republican party?

Secretary STRAUS. Not entirely, but I must say that the pressure that is brought usually is brought in a very good-natured way.

Mr. LIVINGSTON. What are the politics of the six men?

Secretary STRAUS. I absolutely do not know.

Mr. CARSON. I think I can tell you.

Secretary STRAUS. If you have found out, you had no business to.

Mr. CARSON. I found it out incidentally.

Secretary STRAUS. Being a Southerner originally myself, I knew the importance of the cotton-seed industry, because it is a new one. When I lived down South it was thrown to the hogs. Now I believe it amounts to—

Mr. CARSON. The exports amount to \$40,000,000 or \$50,000,000 a year.

Secretary STRAUS. How did we find that man? We went to the cotton-seed-product manufacturers at their annual assembly and said: "Give us a man who, in your opinion, is the best able to take this work up." They had a national convention and suggested a man to us. I had him come forward, and I found that he was a very bright, high-class man. We have some men whom you could not employ permanently at five times the salary, and we are doing magnificent work. You originally gave us \$50,000. Last year I asked for \$40,000, and I want every cent of the \$40,000 this year.

Mr. TAWNEY. Mr. Secretary, can you tell us whether, under the instructions and employment of these special agents, they are required to make any investigations into trade conditions abroad generally or are they limited in their investigations to the particular lines of trades for which they are engaged?

Secretary STRAUS. They are instructed to investigate the particular lines of trade in which they are engaged, but being usually men of very high capacity, we instruct them also not to keep their eyes closed, and if any important facts come under their view in making investigations in their special line that they think would be of value to the commercial interests of the country we would be pleased to receive a report from them on the subject.

Mr. TAWNEY. Are they required to make a report on those subjects or is it just simply discretionary?

Secretary STRAUS. It is rather discretionary. That is not required. They are put in a special field and they must exhaust that field.

Mr. TAWNEY. But in exhausting that field, going around as the representatives of the Department of Commerce and Labor, could not

they also be required to report on anything of special interest to the trade that may not be in that special line?

Secretary STRAUS. They could be so instructed, and in giving them their specific instructions I usually tell them if they find any other matters that are of importance to the commercial interests of the country, or that would be of importance to other special lines we are investigating, they should not overlook those matters. In other words, it is according to the policy of cooperation I have adopted throughout the whole department which I have endeavored to bring about between all those agents.

I think we have covered the ground of the special agents, unless you have some questions to ask.

Mr. CARSON. The question was asked as to what the bureau was doing and some of its division with regard to furnishing information to the Ways and Means Committee. Our special agents who are specialists in their respective lines have been furnishing that class of information, and we have been publishing it. It is just as useful and, perhaps, quite as useful to the business men as to the legislators. These men have been enabled to give information, by reason of their expertness and technical knowledge, that it was impossible for the consular service to obtain. We have a line of data for the committee that I think will be useful in the construction of the tariff bill that is being considered. That is particularly the case with regard to our friends from the South, Perkins and Clark. Mr. Clark is an expert.

Mr. LIVINGSTON. Where is he from?

Mr. CARSON. North Carolina. He is the son of the chief justice of that State.

Mr. LIVINGSTON. Where is Mr. Perkins from?

Mr. CARSON. He is from Tennessee.

Mr. LIVINGSTON. That is not much of a cotton State?

Mr. CARSON. The cotton-seed people selected him.

Mr. BURLESON. Yes, sir. I urged his selection myself.

Mr. CARSON. Mr. Clark is such an expert that one of the leading woolen manufacturers of Bradford, England, publicly stated to his associates in business that Mr. Clark knew more about the woolen manufacturing industry of Bradford than he knew, and he ventured to say that he knew more than any man in the room. That was the public utterance he made, printed in the English papers. All of our people are of that class of importance. We could spend much more money in that line very profitably, but we have to keep within the appropriation of \$40,000.

Secretary STRAUS. The appropriation should be \$50,000. That is my fault.

Mr. BINGHAM. To collate the tariffs, etc., you have \$5,500 for the current year, and you ask for \$4,500 additional. In what way will you expand the work for the next year?

Mr. CARSON. We would employ two additional men in the work who would be linguists as well as clerks, and who possess some knowledge of commercial geography and commerce generally. But I doubt whether we could get the men at the small salaries we are able to pay.

Mr. BINGHAM. What salaries do you pay now?

Mr. CARSON. One man gets \$3,500, the chief of a division, another \$1,400, and another \$1,200. That takes up the entire amount except the \$200 or \$300 which we have for buying technical books.

Mr. BINGHAM. That is why you want this additional amount for the next fiscal year?

Mr. CARSON. Yes, sir.

BUREAU OF CORPORATIONS.

STATEMENT OF MR. HERBERT KNOX SMITH, COMMISSIONER.

CLERICAL SERVICES.

Mr. BURLESON. You ask for fourteen more positions.

Mr. SMITH. Eleven clerks.

Mr. BINGHAM. At the foot of page 252 you increase clerks of class 2 from five to seven, an increase of two; clerks of class 1, from nine to twelve, an increase of three; clerks at \$1,000, from thirteen to eighteen, an increase of five; and copyists, from eleven to fifteen, an increase of four?

Mr. SMITH. Yes, sir.

Mr. BINGHAM. They are all interlaced.

Mr. SMITH. Yes, sir.

Mr. BINGHAM. Do you propose to make promotions?

Mr. SMITH. Yes, sir.

Mr. BINGHAM. Please give us a statement of the work that will justify this increase.

Mr. SMITH. Two years ago I had 75 men, last year I had 103 men, now I have 131 men. Two years ago we were carrying on investigations of three of the great industries. I am now carrying on or finished, current work, about nine of the great industries. The situation now is this: I can do more work with my higher class of men in the getting of material than can be tabulated and transcribed by my lower class of men. The force is not properly balanced. It requires about this number of clerks, as near as I can make it.

Mr. BINGHAM. That rearranges your condition?

Mr. SMITH. Yes, sir; so that I can avail myself fully of the whole force. It simply gives me enough machinery to handle the work that my field men are doing.

Mr. BINGHAM. Your work justifies the recommendations?

Mr. SMITH. Yes, sir. Congress has asked me for reports on four or five of the great industries, and I am being delayed because I have not the force to handle the material.

Mr. BINGHAM. What are the industries?

Mr. SMITH. Steel, cotton exchanges, lumber, and the International Harvester Company; those are the four that Congress has specifically asked for, and I want to finish them as soon as possible.

Mr. BINGHAM. Will you finish them this year and next year?

Mr. SMITH. Yes, sir. The International Harvester Company information was asked for about a year and a half ago.

Mr. GILLET. By a vote of Congress?

Mr. SMITH. By a resolution of one of the Houses.

Mr. LIVINGSTON. When will we get the report on cotton?

Mr. SMITH. I have made three reports on the cotton industry, and I hope to get the next one completed in about two or three months. The situation is that the New York Cotton Exchange, as a result of my reports, appointed a special committee of nine members of their exchange to examine what I claimed to be defects in their system, and they have instructed the committee to confer with me before making their report. It seems to me only fair that I should consider their work before issuing the conclusion upon that particular phase of the investigation. The result of the three reports that I have made has been very beneficial to the producer and has caused reforms in the cotton exchange, I might say, because of friendly, but accurate, criticism.

Mr. BURLERSON. You are not going to await the action of the New York Cotton Exchange and any promise of reforms on their part before you finish your report?

Mr. SMITH. No; not by any means. I am simply awaiting my final conference with the committee, which I think will come in a month. I shall not await final action on their part.

SPECIAL ATTORNEYS, EXAMINERS, AND AGENTS.

There is one additional item that I ought to call attention to. I have asked for the reappropriation of an unexpended balance of \$38,000 which was turned back July 1, 1908. The reason that I had to turn that money back was exactly the reason I have been describing. We could not use the money because we did not have a clerical force to handle the results at that time. I expect this year, with the increased requests from Congress for investigations, to employ the full amount of that appropriation and possibly more, and I also feel that in the lump sum I should have a certain amount of margin because there have been a number of bills introduced in Congress from time to time calling for a system of general reports by corporations to this Bureau of Corporations. Recently a bill passed which will require a considerable increased expense. We will have to take care of all that information.

Mr. LIVINGSTON. Are you representing the Department of Commerce and Labor?

Mr. SMITH. Just the Bureau of Corporations.

Mr. LIVINGSTON. Who represents the department?

Mr. SMITH. I understand that the Secretary will be here to represent the department.

Mr. LIVINGSTON. Who requested the investigation on the steel corporation?

Mr. SMITH. I have forgotten which House it was. I may be mistaken as to either House requesting that. There have been such resolutions, but they may not have passed.

Mr. BURLERSON. There was one introduced that was not passed, and I would like to know who directed the investigation?

Mr. SMITH. I may be wrong in saying that Congress did. We started it two years ago as one of the great industries.

Mr. BURLERSON. Do you know who directed that investigation?

Mr. SMITH. I am not sure that anybody directed it, because the commissioner has the option to start investigations.

Mr. BURLESON. You are conducting an investigation of the United States Steel Corporation?

Mr. SMITH. Yes, sir.

Mr. BURLESON. And have been for two years?

Mr. SMITH. For about a year and a half.

Mr. BURLESON. When will you conclude that investigation?

Mr. SMITH. It is pretty hard to say. I am waiting to go over a period of five years, because the prices and profits of the business have varied, and should you take a point in any one year you might get a misleading result, the profits and prices have varied so.

Mr. GILLETT. Prices have gone down and up?

Mr. SMITH. Yes, sir.

Mr. GILLETT. When were they down?

Mr. SMITH. In 1903 or 1904.

Mr. BURLESON. What is the scope of your investigation, with a view to ascertaining the stability of prices or whether there has been a violation of the antitrust act?

Mr. SMITH. We are not taking up the antitrust-act violations, but simply the question of the cost of the raw products, cost of manufacture, prices at which they are sold, and profits, and their relation, as far as we can, to capitalization.

Mr. BURLESON. Why did you not investigate at the same time the question as to whether or not there has been any violation of the Sherman antitrust law in the consolidation of these iron and steel industries?

Mr. TAWNEY. That matter has heretofore been investigated?

Mr. SMITH. Yes, sir; and really is more within the Department of Justice, and if I had taken that up in the first instance I would at once have placed the Bureau of Corporations in opposition. I preferred first to get as much information from a corporation without trouble.

Mr. BURLESON. Your examination of the United States Steel Corporation was narrower in its scope than your examination of the Standard Oil Company?

Mr. SMITH. I think it will not be narrower in the end.

Mr. BURLESON. As you have it in contemplation, it is much narrower?

Mr. SMITH. Yes, sir.

Mr. BURLESON. Why?

Mr. SMITH. For the reason that the United States Steel Corporation is a very much larger question and a very much more difficult one.

Mr. BURLESON. Not a larger corporation?

Mr. SMITH. Yes, sir; it is larger. Its assets are between \$800,000,000 and \$1,000,000,000. The assets of the Standard Oil Company run about \$300,000,000, a good deal less than half. The productions of the Standard Oil Company are comparatively simple; they deal with one staple, whereas the products of the United States Steel Corporation are very varied and the price question is very difficult.

Mr. BURLESON. The Standard Oil Company has only one product?

Mr. SMITH. Substantially; oil.

Mr. LIVINGSTON. They have a great many by-products?

Mr. SMITH. Yes, sir.

Mr. BURLESON. As a matter of fact, their variety of products is greater than the United States Steel Corporation?

Mr. SMITH. No; I think not, by any means. I think there are a number of by-products that make quite a large number in total, but I do not think they are anything like as numerous as the steel products.

Mr. BURLESON. You think, in the end, that your investigation of the steel corporation will be as thorough as the investigation of the Standard Oil Company?

Mr. SMITH. In the end, I think it will. There is this difference: The Standard Oil Company refused to give us any information. The steel corporation opened its books and spent money in giving us information. That makes it possible for us to go much deeper and we may have to do more work.

Mr. GILLET. How do you decide what you shall do? Of course there are innumerable things that you might investigate. Do you determine that by the amount of your appropriation?

Mr. SMITH. The total work is determined for the time by the appropriation, but as to specific subject-matters, I have gone on the theory of taking up the great staple industries, the ones comparatively simple and at the same time which affect a large number of people.

Mr. GILLET. You go as far at one time as you have funds?

Mr. SMITH. Yes, sir; keeping on about seven or eight investigations at the same time. That is what I have now, about eight.

Mr. GILLET. Can you tell us what they are?

Mr. SMITH. We have finished the oil investigation. The steel investigation, the investigation of the lumber industry, the tobacco industry, the cotton exchanges, the International Harvester Company, the subject of waterways, as one of the transportation agencies of the country—this is very important because transportation cost is a very important part of any economic cost—and, finally, a short review of the developed water power, made more for the assistance of the National Conservation Commission, which is meeting now.

Mr. TAWNEY. Are you conducting your investigation of the tobacco industry along the same lines as the investigation conducted by the Department of Justice?

Mr. SMITH. No, sir. There is a certain amount of similarity, but our investigation has been of unfair methods of competition and as to the prices which have gone up, and as to the cost of the raw material and the results to the producer.

Mr. TAWNEY. The investigation of the Department of Justice has resulted in prosecutions?

Mr. SMITH. Yes, sir.

Mr. TAWNEY. Which prosecutions, I understand, have been successful?

Mr. SMITH. Yes, sir.

Mr. TAWNEY. The result has been to some extent the dissolution of the original trust agreement among the constituent companies?

Mr. SMITH. I have not read that decree. I do not know what the decree of the court was. Of course it has been appealed.

Mr. TAWNEY. In your investigation of the methods of the tobacco trust with respect to unfair competition, have you given any consideration to the redeemable coupons used by the tobacco trust?

Mr. SMITH. Yes, sir.

Mr. TAWNEY. What has been the result of your investigation as to the effect of that instrumentality for the purpose of destroying competition?

Mr. SMITH. It has been very strong indeed. I think that the use of redeemable coupons from time to time has been discontinued to a certain extent, nothing like as much as it was. I think that is by reason of the investigation of the Floradora Company.

Mr. TAWNEY. The Floradora Company was dissolved some time ago, but they still continued to pack the coupons in the statutory package upon which the revenue is paid?

Mr. SMITH. Yes, sir.

Mr. TAWNEY. In other words, they continue to use the internal-revenue law as a medium to work fraud in the enterprise?

Mr. SMITH. Yes, sir; and it is a very effective method.

Mr. TAWNEY. And has destroyed competition to a greater extent than any other instrumentality, I think, that they have employed?

Mr. SMITH. I think that is very possible. We have considered that difficulty at length.

Mr. TAWNEY. Have you ever considered the use of the taxing power for the purpose of suppressing such unfair competition?

Mr. SMITH. No, sir. I never had that presented to me in that way.

Mr. TAWNEY. How many special agents have you employed under this appropriation, in the act creating the department?

Mr. SMITH. We have now four special agents.

Mr. TAWNEY. What compensation do you pay the special agents?

Mr. SMITH. Their pay runs from \$1,800 to \$2,000; I think it is \$2,250.

Mr. TAWNEY. Are they annual employees?

Mr. SMITH. Yes, sir. We rearranged those salaries not very long ago, but those are substantially the amounts.

Mr. TAWNEY. How many special examiners have you?

Mr. SMITH. The examiners and agents are one class, but putting the two classes together we have about 60 or 65.

Mr. TAWNEY. What compensation do they receive?

Mr. SMITH. The compensation will run from \$1,000 up to the highest one, which is \$3,200. One of my experts gets \$5,000. He was formerly one of the big steel men. That is for his technical knowledge. The highest, I think, would be \$3,200.

Mr. TAWNEY. In addition to that, do they get a per diem?

Mr. SMITH. Yes, sir; when on the road.

Mr. TAWNEY. How much is that allowance?

Mr. SMITH. Four dollars a day.

Mr. TAWNEY. They also get traveling expenses?

Mr. SMITH. Yes, sir; traveling expenses.

Mr. BINGHAM. What does the unexpended balance amount to?

Mr. SMITH. Thirty-eight thousand dollars.

Mr. BINGHAM. And you propose to use this unexpended balance as the law provides?

Mr. SMITH. Yes, sir.

BUREAU OF LABOR.

STATEMENT OF MR. CHARLES P. NEILL, COMMISSIONER.

PER DIEM OF SPECIAL AGENTS.

Mr. BINGHAM. For per diem allowance you ask \$64,000 for next year.

Mr. NEILL. Yes, sir.

Mr. BINGHAM. But at the same time you ask for an unexpended balance?

Mr. NEILL. Yes, sir.

Mr. BINGHAM. Which I presume is a part of the \$64,000 granted you this year?

Mr. NEILL. Yes, sir.

Mr. BINGHAM. How much of that will be unexpended?

Mr. NEILL. I do not know. There will be nothing left at the end of the year.

Mr. BINGHAM. Why do you want a reappropriation of the unexpended balance, then?

INVESTIGATION OF CONDITION OF WOMAN AND CHILD WORKERS.

Mr. NEILL. I am using part of that appropriation the same as the other appropriation of \$150,000 on the investigation into the industrial, social, moral, educational, and physical condition of woman and child workers in the United States.

Mr. BINGHAM. You do not expect to expend that money this year?

Mr. NEILL. At the present rate of our work we would expend all of that and all of the \$64,000 before July 1. I would prefer to reduce the present force, continuing only those best fitted and most efficient to continue the investigation until a later period in the summer. I think I could do much better work if I can get that done. At the present rate of expenditure neither of those amounts will last until July 1. We will have to conclude our work before that period.

Mr. BURLERSON. In other words, if we agree to put this item in continuing this appropriation, you will discharge your less efficient clerks and prolong the investigation?

Mr. NEILL. There are no inefficient clerks in that force, but at the same time some of them are much more valuable for the work than others. Some are more efficient, and we will keep only the cream of the efficient ones.

Mr. BURLERSON. Then, you will discharge the less efficient members of your force and prolong the investigation?

Mr. NEILL. Yes, sir.

Mr. BURLERSON. If we do not do that, the investigation will be concluded in the present fiscal year and the amount exhausted?

Mr. NEILL. Yes, sir. I think the longer time we take the better quality of work we will get. We do not want to finish the investigation and have no money left when we get it finished. When we get it finished, as we hope to next summer, in going over the two years'

work we may find a number of places where we want to supplement the work, in a field in which the work has not covered the ground sufficiently, and I want to retain some of this appropriation for that purpose.

Mr. TAWNEY. Are they entirely separate?

Mr. NEILL. No, sir; I am using part of the regular force of the bureau on this work.

Mr. BINGHAM. You have two paragraphs where you ask for a re-appropriation of an unexpended balance, do you not?

Mr. NEILL. Yes, sir.

Mr. BINGHAM. One of \$64,000 and the other of \$150,000?

Mr. NEILL. Yes, sir.

Mr. BINGHAM. You ask for the appropriation for 1910 plus the unexpended balance?

Mr. NEILL. Yes, sir.

Mr. BINGHAM. Will the unexpended balance complete the work?

Mr. NEILL. Yes, sir. One of these is the special appropriation made two successive years. The other one is the appropriation which is made every year for the regular work of the bureau. We have not only the \$150,000, but we have used a part of the clerks in the bureau to carry on this investigation.

Mr. TAWNEY. You have had two appropriations for this investigation authorized by Congress into the industrial, social, moral, educational, and physical condition of woman and child workers in the United States?

Mr. NEILL. Yes, sir.

Mr. TAWNEY. One hundred and fifty thousand dollars each?

Mr. NEILL. Yes, sir.

Mr. TAWNEY. How much of the first appropriation remains unexpended?

Mr. NEILL. None of it. There might have been a small amount; you can not always make things square up exactly.

Mr. TAWNEY. How much of the appropriation for the current year will be unexpended, do you think, at the expiration of the year?

Mr. NEILL. You mean the fiscal year?

Mr. TAWNEY. Yes, sir.

Mr. NEILL. If we maintained the present force, it would not last beyond the middle of March.

Mr. TAWNEY. Will you by that time complete the work?

Mr. NEILL. Not satisfactorily.

Mr. TAWNEY. You expect this work to run over into the year 1910?

Mr. NEILL. To do it satisfactorily, we will reduce the force and carry it to the 1st of July, allowing the force not necessary to go.

Mr. TAWNEY. The \$300,000, however, that has been appropriated for this special purpose will complete the work?

Mr. NEILL. Yes, sir.

IMMIGRATION COMMISSION (AGAIN).

Mr. TAWNEY. When did the immigration commission go abroad?

Mr. NEILL. A year ago last May. Six members of the commission went.

Mr. TAWNEY. What six members went?

Mr. NEILL. The three Representatives, Senator Dillingham and Senator Latimer, who was at that time a member, and Mr. Wheeler, of California, who was not at that time Assistant Secretary of the Department of Commerce and Labor.

Mr. TAWNEY. How long did they remain abroad?

Mr. NEILL. My recollection is that they came back sometime in the latter part of September.

Mr. TAWNEY. How many men have they employed?

Mr. NEILL. I do not know; probably over 100.

Mr. TAWNEY. Where are they employed?

Mr. NEILL. Some of them in Washington. There are three sections. There is one group studying the immigration conditions in the South, one in the West, and another in the Eastern States. I am not familiar with all the work. The work of the commission is divided into committees. I have charge of certain of the work, and I am very familiar with that part of it.

Mr. TAWNEY. What part of the work is it to which you are assigned?

Mr. NEILL. I have charge of the statistical work and I also have charge of the southern investigation. Until Mr. Wheeler came here I was the only member in Washington during the year, and I have remained in general charge of the work here, and whenever any matters came up I have been consulted and have outlined plans of investigations.

Mr. LIVINGSTON. Who is in charge of the force in the House Office Building?

Mr. NEILL. The secretary of the commission, Mr. Husband.

Mr. BURLESON. What is the maximum salary paid by the commission to special agents?

Mr. NEILL. I am not sure whether the man in charge gets \$2,500 or \$3,000.

Mr. BURLESON. Is that the maximum salary that is being paid?

Mr. NEILL. The secretary and disbursing officer gets \$3,500, I think.

Mr. BURLESON. How many of these 100 special agents were already in the government employ at the time they were employed by this commission?

Mr. NEILL. I do not think over three of them.

Mr. BURLESON. Only three of the 100 special agents you have employed?

Mr. NEILL. Yes, sir.

Mr. TAWNEY. What is the clerical force.

Mr. NEILL. There is a force of 16 clerks that work in the census under the direction of Doctor Hill, as chief statistician of that work. Doctor Hill was a member of the census force and was given a leave of absence by Mr. North to take charge of this work, as no one not familiar with census work could direct it, the taking of census tables which appeared in the census volumes and had bearing on immigration and combining them together. He has also taken such information from the census which had never been used which bears directly on immigration. He has a force of 16 clerks.

Mr. BURLESON. Were these people taken from the Census Office?

Mr. NEILL. No. I think two or three were temporary employees, and when their terms expired they were given this work. The others

have come from the outside. One, who is in charge of some of the statistical work, was a clerk in the Bureau of Labor, the assistant statistician. I gave him a leave of absence; he resigned to take up that work. These men were selected because they were the most competent. The agent in charge of the field work in the western territory, the superintendent of agents, has under him ten or twelve employees. I am not on that committee, and therefore not very familiar with that work. I am not sure whether his salary is \$2,500 or \$3,000.

In the beginning, when the work was small, we paid as high as \$125 to the assistants in the field. When we began to employ a larger number of men we reduced the pay to \$100 and in some cases to \$75. The force working in the Census Office and the House Office Building, except the ones who direct the work and receive \$125, get \$60 and \$75 a month.

Mr. GILLET. How long will this work continue?

Mr. NEILL. We have been in hopes that we would complete a good part of the work before the adjournment of this session of Congress.

Mr. GILLET. How much do you expect to reduce the force?

Mr. NEILL. We think that during the session the maximum of expense will be reached.

Mr. GILLET. When will the work be pretty nearly through?

Mr. NEILL. I do not know the condition of the other investigations. The investigations I have charge of will be completed by the 1st of March, all except one or two clerks employed under Doctor Hill to prepare his text, and one or two clerks to prepare summary tables.

Mr. TAWNEY. Could not the greater part of that work have been done in the Bureau of Immigration?

Mr. NEILL. It could not have been done there without the employment of additional help. It could not have been done, because the work has required this force which has given its entire time to it.

There are some matters in connection with the Chinese immigration that were looked into by that committee. There was one committee to investigate and report on the subject of Asiatic immigration. That committee brought to the attention of the department for correction some irregularities in the service. That was merely incidental to their other work.

Mr. TAWNEY. What is the character of the investigations that are going on in this country?

Mr. NEILL. I can speak definitely of the ones that I have directly in charge, the ones in the South. We have a force of some six agents under charge of a superintendent of agents, to look into the question of why immigration has not distributed itself through the South. We study the communities in which there is any considerable number of immigrants at work to ascertain the conditions they work under, and to find out from them and the people there why more of the immigrants do not go to the South, and what inducements are offered. We have tried to find out why certain of the immigrants go to the Atlantic seaboard here and why they do not go into the West. We are trying to make a study of the forces that are directing the distribution of immigrants. We have also tried to ascertain the effect of immigration on the representative industries of the United States.

Mr. LIVINGSTON. What information did you seek to settle the question of why the South does not receive its proportion of the

foreign immigration that comes to this country? Who did you get that information from, or who did you send down there?

Mr. NEILL. We have six agents in the South.

Mr. LIVINGSTON. What did they report?

Mr. NEILL. They have not reported.

Mr. TAWNEY. In addition to the compensation allowed to the people employed by this commission, are they allowed a per diem when they are away from here?

Mr. NEILL. Some of them are and some are not.

Mr. TAWNEY. What per diem do you allow?

Mr. NEILL. Three dollars and fifty cents. The agents in charge are allowed \$4.

Mr. TAWNEY. In addition to that they get their traveling expenses?

Mr. NEILL. Yes, sir. The \$3.50 is allowed in lieu of subsistence. They do not all get that. If an agent is sent to a place and he stays there ten days he is not allowed the per diem. He must locate himself in a boarding house and before the expiration of the ten days the per diem is cut off. Those who move steadily are allowed a per diem.

Mr. TAWNEY. What is the salary allowed to the commissioners appointed by the President?

Mr. NEILL. I think the salary is \$7,500. I think Professor Jenks draws that amount. I am simply allowed \$2,500, added to the salary that I receive as Commissioner of Labor. At the time of his appointment Mr. Wheeler drew \$7,500, but I understand that at that time it was discontinued and he now receives the difference between what his salary is as Assistant Secretary of the Department of Commerce and Labor and \$7,500.

Mr. LIVINGSTON. What do the Members of Congress get—just their traveling expenses?

Mr. NEILL. Yes, sir; they serve without additional compensation.

FRIDAY, DECEMBER 4, 1908.

LIGHT-HOUSE BOARD.

STATEMENT OF CAPTAIN H. D. MAYO, NAVAL SECRETARY.

CLERICAL SERVICES.

Mr. GILLET. You ask for four additional clerks?

Captain MAYO. Yes, sir.

Mr. LIVINGSTON. Why do you want the four additional clerks?

Captain MAYO. It is simply to keep up with the current work and to maintain the present standard of efficiency in the office.

Mr. BINGHAM. Is your work current?

Captain MAYO. The work is practically up to date, because we have the assistance of clerks temporarily detailed.

Mr. BINGHAM. How many?

Captain MAYO. Three.

Mr. BINGHAM. Where are they detailed from?

Captain MAYO. Two from the Census Bureau and one from the Bureau of Corporations.

Mr. BINGHAM. How long have you had them?

Captain MAYO. For various periods. Most of them about a year.

Mr. BINGHAM. If this estimate is allowed those men would go back to their respective positions?

Captain MAYO. Yes, sir. I asked the department to arrange to have them kept there permanently, but the department directed us to make an estimate for new clerks sufficient to protect the efficiency of the office, as those men could not be retained indefinitely.

Mr. GILLETT. Do they work overtime?

Captain MAYO. Yes, sir.

Mr. GILLETT. Have you kept a record of the overtime work?

Captain MAYO. No, sir; there is no record kept of the overtime work of the clerks. They are kept there late, and many of them take work home and work things up on Sundays. My observation has been pretty short, because I have only held the present position a little over a month, but I have accumulated, I think, quite a good deal of information.

Mr. BINGHAM. The appropriations for the current year for the Light-House Establishment have been pretty large. Has that added to your work?

Captain MAYO. Yes, sir; a good deal.

Mr. BINGHAM. Do you know the total of those appropriations for 1909?

The CLERK. Eight hundred and fifteen thousand dollars for new construction.

Mr. BINGHAM. How much additional work has been put upon the Light-House Board by reason of legislation?

Captain MAYO. A great deal of additional work.

Mr. TAWNEY. How much work was completed?

Captain MAYO. I can not say without the annual report, which has not been printed.

Mr. TAWNEY. Additional work would not necessarily be a safe criterion in determining the increase in the work of the office, because that is work which is being completed from year to year.

Captain MAYO. There is one other point that I would like to bring to the attention of the committee. We have some very old employees in the office, men and women, who have been in the service a great many years.

Mr. LIVINGSTON. Why not drop them?

Captain MAYO. They have been reduced and are doing work which they can do. For instance, one man is 79 years of age. He has been demoted from time to time.

Mr. LIVINGSTON. He holds his place?

Captain MAYO. Yes, sir.

Mr. LIVINGSTON. What is his compensation?

Captain MAYO. He now gets \$1,400 as against \$1,600 at one time in this department.

Mr. GILLETT. That is not a very heavy demotion?

Captain MAYO. He came to the Light-House Bureau at a reduced salary, having been gradually moved down from \$2,200.

Mr. LIVINGSTON. He gets \$1,400 now?

Captain MAYO. Yes, sir.

Mr. BINGHAM. How old is he?

Captain MAYO. Seventy-nine years of age.

Mr. LIVINGSTON. If he can not do the work, there is only one thing to do, drop him down lower.

Captain MAYO. He is doing the work at present.

Mr. BINGHAM. Then, what is the use of mentioning his age?

Captain MAYO. We need younger and more active men to do the work.

Mr. GILLETT. Have you many old employees?

Captain MAYO. We have, besides him, four old ladies.

Mr. GILLETT. What compensation do they receive?

Captain MAYO. From \$720 to \$900.

Mr. GILLETT. Are they getting so that they can not do their work properly?

Captain MAYO. They can not do the current work, but they work on the indexing and filing, which had never been kept up until within the last year.

Mr. GILLETT. Did you make places for them?

Captain MAYO. Practically that was it, but it was work that must be done and which we would have had to put other people on finally.

Mr. GILLETT. They are not very efficient, I suppose?

Captain MAYO. In doing that work they are doing very well.

THURSDAY, DECEMBER 3, 1908.

OFFICE OF BUREAU OF IMMIGRATION AND NATURALIZATION.

**STATEMENT OF MR. RICHARD K. CAMPBELL, CHIEF DIVISION OF
NATURALIZATION.**

CLERICAL SERVICES.

Mr. BINGHAM. You ask for an increase of four in your clerical force. Please give us the reasons for the increase.

Mr. CAMPBELL. That is due to an increase in the actual amount of work required of the division because of the increased business done by the courts in naturalization, the increase in the number of applicants. I can give you some idea by stating that a year ago, when this committee allowed the increase then asked for, our average receipt of naturalization papers was about 15,000 a month, and it is now a little upward of 20,000. As a result of that increase, I think I stated at the time, the work in some respects is very much in arrears.

Mr. BINGHAM. That is for naturalization?

Mr. CAMPBELL. Yes, sir.

Mr. BINGHAM. I thought that the immigrants were going home?

Mr. CAMPBELL. No, sir. They are becoming citizens, and becoming so very rapidly. I can make a detailed statement on this subject if it is desirable.

Mr. BINGHAM. Has there been an increase of 25 per cent?

Mr. CAMPBELL. Yes, sir; fully that.

Mr. GILLETT. What causes this increase?

Mr. CAMPBELL. That is very hard to say. I think temporarily the new law checked naturalization very decidedly, because the public generally believed that there was something very drastic about it, and as they find that the difference is not in the classification, but in the supervision by the Government, they are coming forward in increased numbers. I do not think we are near the average yet.

FRIDAY, DECEMBER 4, 1908.

BUREAU OF STANDARDS.

STATEMENT OF MR. S. W. STRATTON, DIRECTOR.

SCIENTIFIC SERVICES.

Mr. BINGHAM. You increase your estimate for your subordinate force from \$141,514, current law, to \$165,280?

Mr. STRATTON. Yes, sir; about \$23,700.

For two years we have been trying to keep up with the work, but it has been impossible with the force at our disposal. It is important work and should be done. Our original estimates were made upon the basis of what was urgently needed in each section of the bureau's work. These were reduced at least 25 per cent before submitting them to the department. They were still further reduced by the department to about one-third of the original estimate.

Mr. BINGHAM. The estimates for increase of your subordinate force were larger?

Mr. STRATTON. Yes, sir; more than three times as large.

Mr. BINGHAM. Your subordinate force considered it necessary and you verified it?

Mr. STRATTON. Yes; on the basis of what the bureau should have in order to comply with the most urgent demands for its services.

Mr. LIVINGSTON. That is for the public?

Mr. STRATTON. Largely; but from the public also. The greatest demand at present comes from the government service, but those of the public are no less important; in fact the bureau is not doing as much as it should for the public.

Mr. BURLESON. Do you think that you save to the Government the cost of your bureau every year?

Mr. STRATTON. It would be very difficult to say as to that, or to estimate the value of its work in money, but I certainly believe the bureau is worth all it costs to maintain it from the standpoint of the government service alone.

TESTS MADE AND RECEIPTS THEREFROM.

Mr. BINGHAM. In view of your statements, please give us briefly, and yet fully, just what you do for the Government, and then just what you do for others than the Government?

Mr. LIVINGSTON. We would like to see your books if you keep books. That would be much better than to have a statement from you.

Mr. STRATTON. Yes, sir; we keep a record.

The work of the bureau can be divided into two distinct classes of work. One is the testing and investigation of standards and measuring instruments, the other is the investigation of materials. There is a great demand on the part of the public—

Mr. BINGHAM. Never mind about the public now. First tell us what you do for the Government.

Mr. STRATTON. I would not give the impression that it is all for the Government. Something like two-thirds of the testing done at present is for the Government. The kind of work that we do for the Government and the kind of work that we do for the public is not different, except that for the Government we do what is called "commercial testing." The bureau does very little for the public that private laboratories can do; but in case of the Government, commercial tests are made, upon request, as a matter of accommodation. We have done a great deal of it for bureaus that are not prepared to do their own testing; they not only require commercial tests to ascertain whether goods purchased are in accord with specifications, but they ask for assistance in the preparation of specifications and for information which often requires scientific investigation; for example, the steamboat inspection service was called upon to make a decision as to whether celluloid is dangerous for shipment. It is a very important commercial article, from which a great many things are made, but very inflammable, and the question arose whether it should be classed as an article which can not be shipped on passenger steamers. It is a very difficult question to handle and one which can only be decided after making proper investigation, and it has taken one of our chemists over six months to make these investigations; but such questions can not be settled without scientific assistance.

Mr. BINGHAM. Celluloid is settled for the future?

Mr. STRATTON. Yes, sir; as far as the bureau is concerned we have endeavored to give the Steamboat-Inspection Service the scientific data necessary upon which to base their decision. The same question was asked in regard to Fels naptha soap; you have seen that advertised. An explosion occurred on a ship carrying a large quantity of this soap which resulted in considerable loss of life; the cause of the explosion was traced to the naptha vapor given off by the soap. This explosion occurred in a foreign country, but the question was asked of the Steamboat-Inspection Service as to whether soaps of this class should be permitted as cargo on passenger steamers, and the bureau was asked by the Steamboat-Inspection Service to make such investigations as were necessary to secure the data upon which to base a decision. Hence it will be seen that the bureau is often called upon to make very difficult scientific investigations for the Government, as well as make commercial tests.

Mr. BINGHAM. That is settled?

Mr. STRATTON. Yes, sir; as far as the Bureau of Standards is concerned.

Mr. BINGHAM. Have you settled other important questions?

Mr. STRATTON. A great many. The chemical force for the last two or three years has been almost wholly employed upon work for the Government. The bureau has also done what it could to help along the purchase of supplies according to proper specifications.

Mr. BINGHAM. What important questions have you before you now for the Government unsettled?

Mr. STRATTON. The bureau is making an investigation of boiler compounds for one bureau, compounds that can be allowed in boilers for the prevention of scale which forms inside them. Certain waters deposit scales on the inside of the boilers and is a very serious question.

Mr. BINGHAM. That investigation is going on?

Mr. STRATTON. Yes, sir; that investigation is going on, and, perhaps, half a dozen others.

Mr. LIVINGSTON. Is there an investigation of cement going on?

Mr. STRATTON. No, sir; but the bureau has made some tests of cement purchased by bureaus of the Government situated in Washington.

Mr. LIVINGSTON. I thought you had such an investigation going on?

Mr. STRATTON. Not now in regard to cement, but the bureau's functions include the determination of the properties of material, but if certain questions should arise in regard to the physical properties of cement, the bureau would take them up.

Mr. BINGHAM. Is there any other government service?

Mr. STRATTON. The introduction of the pure-food law has brought about a large amount of chemical work in the Department of Agriculture, and we have been asked to standardize many of the instruments used. Yesterday the bureau received several hundred thermometers from the Bureau of Chemistry of the Agricultural Department.

Mr. BINGHAM. From the department here?

Mr. STRATTON. Yes, sir; from the pure-food laboratory.

Mr. BINGHAM. Just in Washington?

Mr. STRATTON. Yes, sir; and we have tested thousands of pieces of graduated glassware for them.

Mr. BINGHAM. Do they come from any other section of the country for the Agricultural Department?

Mr. STRATTON. Some of the agricultural experiment stations send in instruments for testing. They also come from state laboratories and public-service commissions and municipal authorities.

Mr. TAWNEY. They send them through the Agricultural Department?

Mr. STRATTON. No, sir; except in cases of bureaus of that department. Four or five men have been continuously engaged upon their work—the thermometers, measuring instruments, and weights they submit.

Mr. BINGHAM. The testing work that the Agricultural Department sends to you requires the continuous labor of four or five of your subordinate force?

Mr. STRATTON. Yes, sir; or more, and the bureau has not been able to give their work the attention its importance demands.

Mr. BINGHAM. Is there any other?

Mr. STRATTON. We do testing for the War, Navy, and Treasury departments. The departments have combined in the purchase of their incandescent lamps and they buy them now according to the same specifications.

Mr. BINGHAM. All the departments?

Mr. STRATTON. Yes, sir; practically all. We send out an inspector to examine them.

Mr. BINGHAM (interrupting). "Examine them all." What do you mean by that?

Mr. STRATTON. All incandescent lamps must be inspected before accepted. They are inspected at the factory for mechanical defects and at the bureau for candle power and life. When a factory notifies a department that an order of lamps is ready for shipment, the inspector goes there and inspects them for certain mechanical defects. He also selects samples for further testing at the Bureau of Standards.

Mr. BINGHAM. You send your man there as an inspector?

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. Do you designate him as an "inspector?"

Mr. STRATTON. No, sir. We usually take one of the laboratory men.

Mr. BINGHAM. What is the character of examinations for these men? Do you have an examination, or do they come through the civil service?

Mr. STRATTON. The civil service primarily, but our examination is often more rigid.

Mr. BINGHAM. Your examination is scientific?

Mr. STRATTON. Yes, sir. No man is selected as an assistant in the scientific work without a careful examination of his education and experience. Of course this follows the civil-service examination, which of itself is a very satisfactory method of securing eligibles. Practically all of the departments submit instruments and materials to the bureau for test; there is a growing tendency on the part of purchasing agents to purchase things by proper specifications. The Isthmian Canal Commission has submitted articles. The bureau is testing a lot of fire hose for it. They buy large quantities of it. If the hose is built up of reclaimed rubber it is not good and goes to pieces sooner.

Mr. TAWNEY. What other articles have you tested for the Panama Canal Commission except fire hose?

Mr. STRATTON. A lot of valves, to see whether they came up to the specifications, and other articles which I do not remember.

Mr. BURLESON. Is not that a duplication of work?

Mr. STRATTON. No; there is no duplication.

I want to give you one more illustration of work for the Government. The Government Printer has made use of the bureau in various ways. I speak of this because it shows the variety of questions that come to the bureau. The paper used at the Government Printing Office is now purchased by specifications, and all paper received is tested. The specifications for this cloth binding [indicating] were prepared at the bureau. When it was proposed to change from sheep to cloth binding, the bureau made rather an elaborate investigation to determine the various qualities of binding cloth. The Government Printing Office buys it according to specifications. That was in the nature of an investigational test.

Mr. BINGHAM. Durability is the question?

Mr. STRATTON. Yes, sir; one of them. Another question that arose in connection with the Government Printing Office was as to the quality of light they are using. They have certain lamps installed, and the bureau has been asked to report upon the quality of the light. The Government Printer desired to heat the melting pots of the type-setting machines by electricity and consulted the bureau as to the

method of doing it. Another question arose as to the composition of certain type metal, and the bureau is now engaged upon an analysis of it. The results will probably be used by the Public Printer for specifying the composition of type metal in the future. These are but a few illustrations of the questions submitted to the bureau by other government bureaus and offices.

Mr. TAWNEY. What did you ascertain in regard to the mercury light?

Mr. STRATTON. The investigation is under way. Personally, I do not like it, but we must not give a decision in regard to a matter of that kind until it has been carefully investigated, and this investigation involves physiological phenomena. We can not base our decision purely on what some printer has to say or what I might have to say; we must get the facts.

Mr. BURLESON. You have not concluded the investigation, and therefore have not any information?

Mr. STRATTON. No, sir.

Mr. BINGHAM. Do the fees that you collect amount to anything?

Mr. STRATTON. Yes, sir. If we take the six months just passed as a basis for this year, our total fees, counting the government tests the same as the outside tests, would amount to something like \$20,000.

Mr. BINGHAM. For the Government?

Mr. STRATTON. Altogether. I suppose one-third of that would be for the public.

Mr. BINGHAM. Tell us the character of the outside work.

Mr. STRATTON. The character of the outside work is largely in the nature of the testing of standards and measuring instruments for manufacturers and for educational institutions. Here is a list of 29 universities and colleges that we have done work for during the past six months. Now, each test for a university enables some professor or student to carry on work that he could not do before without going into an elaborate investigation as to his standards. He may be making an investigation where he uses a thermometer or a standard of length or a set of weights, and if they are not right his work is useless. We can standardize a thermometer for an institution for four or five dollars, depending on the kind of thermometer it is; work they could not do without the expenditure of a large amount of time and money. Furthermore, it is necessary that those things should be done at a central place. Take, for example, the electric standards. They are much more difficult to handle than lengths and weights. There are five or six different quantities to be measured. We must provide the standards for current measurement for electromotive force, resistance, capacity, inductance, and the magnetic measurements. Great quantities of iron and steel are used in the manufacture of electrical machinery, and it is necessary to specify and measure its magnetic properties, involving, as in all other measurements, standards and methods of measurement.

Mr. TAWNEY. I think you have not entirely covered the field. You are also making a great many tests for educational institutions throughout the country?

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. I notice in your hearing last year that you gave a list of the tests made for universities and colleges for the first six months of last year?

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. Aggregating 53 in all.

Mr. STRATTON. Yes, sir. I have a corresponding list for this year.

Mr. TAWNEY. How many tests have you made for educational institutions during the past six months?

Mr. STRATTON. Forty-six tests for 29 institutions. The number of tests is not much of a comparison, because in one case it may be a standard of length which will require weeks to investigate, or it may be a thermometer which can be done in a few days. What is the number of institutions last year?

Mr. TAWNEY. Fifty-three requests from 37 institutions you had the first six months of last year.

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. Now, I want to show the growth of the work. I want to call your attention to your examination before the committee last session. On page 500 of the hearings on the legislative, etc., bill appears the following:

Mr. TAWNEY. What are your receipts from work done for the public?

Mr. STRATTON. From June last to date our total number of tests is nearly 11,000; 10,900 is the exact number.

Have you the number of tests made from July 1 last up to date?

Mr. STRATTON. It is 15,777 for the first five months of the current year, to December 1, exclusive of lamps inspected for the departments or requests for information; of these tests 10,826 were for the Government and 4,951 for the public, or an increase of 76 per cent over the work of the corresponding period of last year.

Mr. GILLETT. The mere number does not mean a great deal?

Mr. STRATTON. No, sir. I dislike to make that comparison on that basis, but it gives a fair idea of the distribution of requests. The per cent increase in fees will not be as large, owing to the receipt of a large lot of small articles from the Government, which increase the number of tests more than the total fees.

Mr. TAWNEY. I want to get this in the record.

Mr. BINGHAM. In what division of your work?

Mr. STRATTON. In all divisions—standards, instruments, and material. The fees received for the tests made for the public during the past five months have amounted to about \$3,000, or at the rate of about \$5,000 per year. For last year—the entire year—the fees from the public were \$4,334. The work done for the Government for the past five months, if charged for, would amount to \$10,002; for the same period of last year it was \$7,696.

Mr. TAWNEY. Then you continued:

At the same price the government tests would have brought in \$9,000. The average fee for government tests are more, because they are larger tests and larger problems. The public tests include a lot of clinical thermometers, the fee for which is, say, 20 cents apiece, whereas a government analysis may cost \$5.

Mr. STRATTON. Nine thousand dollars covered six months of last year, while the figures given above are for the first five months of this year.

Mr. LIVINGSTON. What are your receipts?

Mr. STRATTON. The receipts from the public for the past six months are nearly \$4,000. For the Government, if charged at the same rate, it would be \$9,000, and together they would be over \$11,000.

The commercial value of your work during the past five months of this year is about \$12,000, including the government tests, or at the rate of about \$28,800 for the year?

Mr. STRATTON. About twenty-eight to twenty-nine thousand dollars for the year. For the first five months it is \$11,921.

Mr. TAWNEY. One thousand dollars more than last year?

Mr. STRATTON. For last year, all the year, the total commercial value was \$22,072.

Mr. TAWNEY. The commercial value of your work would be about \$7,000 more?

Mr. STRATTON. Yes, sir; or about 33 per cent increase.

Mr. TAWNEY. With the increase of force given at last session?

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. Right in that connection, current law gives you \$141,000 and you ask for \$165,000. That means an increase of 17 subordinate force.

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. At good salaries?

Mr. STRATTON. Not especially good salaries; rather low, in fact.

Mr. BINGHAM. We would call them good salaries. You have been able to do the work this year with your present force?

Mr. STRATTON. We have done as much work as we could with the force available, but we have not been able to care for much very important work the bureau should do. The scientific force was not increased much last year, seven or eight places in all, but there has been a very great increase in the demands or the services of the bureau, especially on the part of the Government. I suppose there has been twice as much work turned away as the bureau has been able to do.

Mr. BINGHAM. What character of testing?

Mr. STRATTON. All kinds. We can not begin to handle the work that comes to us.

Mr. BINGHAM. Because of lack of force?

Mr. STRATTON. Yes, sir.

Mr. GILLET. Does that work come from the Government or from private parties?

Mr. STRATTON. Both.

Mr. GILLET. How do you arrange about that? If there is a government request, do you consider that first or do you take everything in the order in which it comes?

Mr. STRATTON. It depends very largely on the kind of work. We give the Government precedence if it is something upon which a contract depends. If it is an investigation, we are inclined to let them take their turn. The Society of Mechanical Engineers has recently recommended a standard system of machine screw threads, and had a set of standards constructed according to the definitions of the system, and the bureau has been asked to measure up these standards to ascertain if they are the correct size.

Mr. GILLET. For all sizes of screws?

Mr. STRATTON. Yes, sir; they desire the standards measured up and an authoritative value given them. A great deal depends upon correct standards in manufacturing and this is a very important piece of work the bureau should do for the public, but it can not be taken up for at least six months or a year.

Mr. BURLESON. Is there any other institution in the country doing substantially the same character of work?

Mr. STRATTON. No, sir. It must be done at a central place provided with standards and all of the facilities for making measurements of precision.

Mr. BINGHAM. You are able to do all the work for the Government?

Mr. STRATTON. No, sir; not by any means.

Mr. BINGHAM. Assuming, then, that you do no work for the public, could you do the government work with your present force?

Mr. STRATTON. No, sir.

Mr. GILLET. Do you not take into account the importance of the work in giving it precedence?

Mr. STRATTON. Yes, sir; and it is often very difficult to decide.

Mr. BURLESON. There is no other institution in the country doing substantially the same work?

Mr. STRATTON. No, sir; and the testing I have spoken of must be done at a central place having authority.

Mr. BURLESON. Do they not conduct testing in connection with the University of Pennsylvania?

Mr. STRATTON. That is an entirely different matter. An educational institution does not ordinarily make commercial tests, but often makes investigations; furthermore, there are certain tests that must be made at a central place there in the nature of comparisons of standards or measuring instruments with the official standards of the Government.

Mr. BURLESON. That is not a private concern, the University of Pennsylvania. An analysis made by a university is accepted, in my State at least.

Mr. STRATTON. The public might accept an analysis made by a private or educational institution, but it would not accept a comparison of a standard made by such institution; the cases are quite different. To insure uniformity there must be but one standard, which necessitates a central place for comparisons with it.

Mr. LIVINGSTON. If we give you an additional force, it means that you will have to do additional work. If we do not give you an additional force, you will keep on the line you are now, turning away work every day?

Mr. STRATTON. Yes, sir.

Mr. STRATTON. There is another side: A large part of our force for the last two years has been given up to routine testing of all kinds. Nothing would cause the institution to deteriorate more quickly than to flood it with routine testing. It must do a certain amount of original investigation to develop standards and methods of measuring or it will soon become a second-rate institution.

Mr. BINGHAM. Have not the general public, manufacturers, and others opportunities for securing standards other than by appealing to your bureau?

Mr. STRATTON. Not in many cases. They have facilities for getting a commercial test made, but not the testing of standards. The men who make measuring instruments and make standards for the public get their standards from the bureau.

Mr. BINGHAM. That is, the manufacturer?

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. They must come to you for the original standards?

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. And then they become commercial?

Mr. STRATTON. Yes, sir; in some cases. The public gets a good many of its standards and measuring instruments from manufacturers who get their standard from the bureau; in other cases they must be obtained direct; that is to say, their standards must be compared directly with the official standards of the bureau.

Mr. BINGHAM. It must be a most multiplied limitation when your fees only amount to such a limited sum.

Mr. LIVINGSTON. Do you not think that you could get more work if you raised the fees?

Mr. STRATTON. We have raised the fees considerably during the past year. After all, the fee only represents the nominal value of making the test; it does not represent the time and expense required to prepare the standards and to develop methods of measuring.

Mr. LIVINGSTON. Therefore the Government loses immensely when you are on public work. Why not raise the fees so as to cover the actual work to the public?

Mr. STRATTON. If we did that, we would do a great injustice to the very people who need the standards.

Mr. LIVINGSTON. Your bureau is a charitable concern?

Mr. STRATTON. Not any more than any other government institution.

Mr. LIVINGSTON. We do not believe it is our business to test steel for Carnegie.

Mr. STRATTON. We do not do it.

Mr. LIVINGSTON. You test steel for other people?

Mr. STRATTON. Only for the Government. We make no tests of that kind for the public because there are plenty of commercial laboratories which can do it. If there is a case of dispute between a manufacturer and a purchaser and they both have agreed to settle it by tests made at the bureau it would be done if time permitted.

Mr. GILLET. In such a case you could charge well?

Mr. STRATTON. We would charge what it costs to do.

Mr. GILLET. Are the fees turned into the treasury?

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. Who determines the amount of the fees?

Mr. STRATTON. They are fixed in the bureau and approved by the Secretary of Commerce and Labor.

Mr. TAWNEY. Are there any statutory fees?

Mr. STRATTON. No, sir.

Mr. LIVINGSTON. The fees are low?

Mr. STRATTON. Yes, sir; in some cases, in others they are high. In the case of clinical thermometers the fee is low, but they are submitted in large quantities; hence the fees in that case cover the cost of testing.

Mr. GILLET. Why should you do a simple little thing like that? Every manufacturer of thermometers has to test his own and it is a very easy thing to do.

Mr. TAWNEY. This work has very greatly improved the quality of clinical thermometers.

Mr. STRATTON. Yes, sir. When the bureau started out we bought a dozen or so clinical thermometers from each of several different makers. We found that each manufacturer's thermometers agreed pretty well with themselves, but that the thermometers of one make disagreed from another. A study was made of the different lots and the report sent to the makers, without any names, and it was suggested that the difference was probably caused by their standards. The makers sent their standards in, and in many cases they were found to be incorrect. They did not understand the scientific side of thermometry. The bureau told them what they ought to have in the way of standards, and they secured them. These were then submitted to the bureau for comparison. The bureau has also developed methods of testing, and these have been employed by the manufacturers. These methods have been given to them. It is a matter of charity, if you like. To-day the clinical thermometers of this country are very much better than they were six or seven years ago—that is, from the standpoint of accuracy and quality of workmanship. I know of no better illustration of the value of the bureau to the public than in the case of clinical thermometers.

Mr. GILLET. Now that you have completed the standard, can not the manufacturers of the country see whether they come up to the standard?

Mr. STRATTON. In that as in all other business there are unscrupulous men. A workman or dishonest maker could put unreliable thermometers on the market and the public would be none the wiser, but now a manufacturer, a dealer, or even an individual can have protection from the unreliable manufacturer, if desired. A certificate is given with each thermometer tested.

Mr. BINGHAM. How do the tradespeople throughout the country, with no ability to reach you, measure their standards in order to meet all of the details of contract requirements? Do they not go to some establishment convenient to have their instruments adjusted?

Mr. STRATTON. Yes, sir; in a great many cases, but the man who adjusts them has standards that have been compared with those of the bureau.

Mr. BINGHAM. They do not come to you for that little work?

Mr. STRATTON. No, sir; not ordinarily. A maker of electrical apparatus has his standards. He comes to us to test them. He buys those standards from some one and sends them to us for comparison with those of the bureau.

Mr. BINGHAM. That does not seem to amount to very much. Your fee system indicates a most limited number of such applications?

Mr. STRATTON. I think not. I think we have rather a large proportion of the testing, but to do testing requires a large amount of investigation and development of method; for example, in the case of electrical standards, it costs thousands of dollars to set up standards and get ready for making tests for which we get a few dollars each, but we can make these tests for a great many people. That is, the information that we derive in the first place is available to all.

Mr. LIVINGSTON. I think you will find that it is the opinion of this committee and Congress that your fees are entirely too low. It is an expensive business for the Government, and you want to, in some measure, make your institution a self-sustaining one so far as the public is concerned.

Mr. TAWNEY. It is not your idea that the charges should be made with a view to profit on the work that is done?

Mr. STRATTON. No; to cover the cost only of the test.

Mr. TAWNEY. The actual cost?

Mr. STRATTON. The time and the cost required to make the test, but not the cost of the standard or apparatus by which the test is made.

Mr. LIVINGSTON. Of course, your time is money to us; we have to pay for it. I think you ought to reform your fees somewhat.

Mr. TAWNEY. In the hearings before this committee last year I asked you this question:

When Congress established this bureau some years ago and authorized a charge to be made, was it not for the purpose of preventing every Tom, Dick, and Harry from coming to the bureau to have tests made, rather than that the charge should be a source of profit to the Government?

Your answer was:

Yes. We try to eliminate all unnecessary testing, and I have thought seriously of raising the fees. In some cases we must raise the fee. As we get experience we find out more about the costs. But in doing that, if we are not careful the testing will all be for the Government. The raising of the fees will have the effect of cutting out work for the public. We should do work for scientific institutions, because in the case of the standardization of a thermometer, for example, for which they would pay, say, \$4 or \$5, it would need, if they did it themselves, the work of a man for a year.

You had this matter under consideration at that time?

Mr. STRATTON. Yes, sir; and that is exactly the reply I would make to-day.

Mr. TAWNEY. Have you given consideration to the matter of increasing the fees?

Mr. STRATTON. Yes, sir; we have. Many of the fees have been increased during the past year. If we receive a request from a manufacturing concern for an investigational test that is going to give us information which the public needs, which in our opinion is useful data, we will take the test and charge a reasonable fee. If it is something that the manufacturer alone can use for the advancement of his own business, we would either reject it or charge a fee that would cover all costs of any kind incurred. We try to eliminate that class of work.

Mr. TAWNEY. You would charge a fee in the last case that would cover the actual cost?

Mr. STRATTON. The time and everything. We eliminate much of that kind of testing, especially when it can be done in private laboratories.

Mr. TAWNEY. You do mean to say that you eliminate investigational tests?

Mr. STRATTON. We try to confine our investigational tests to such tests as will give us data or material which is valuable to all manufacturers in that particular line.

Mr. LIVINGSTON. No man has a test made for sport. He does it for his own interest and for the advancement of his own interest. So it is with the Government, when we send a test over there we are interested in it.

Mr. TAWNEY. Here is another statement that Mr. Stratton made that illustrates what he is now speaking of; that is, that the in-

vestigational tests requires a great deal more time to make than it takes to make a test of an instrument or the investigation subsequently:

Professor Rowland, of Johns Hopkins University, when he determined the mechanical equivalent of heat, which is probably the most important constant used in heat work, spent a couple of years in testing his thermometers. The bureau can do that now in two or three days' time, and it is available to all the scientific workers of the country; not only to them, but to the manufacturers as well.

That shows the difference between the original investigational tests and the work that is subsequently done as the result of the investigational tests.

Have you a statement showing the tests made for universities and colleges, and the requests for tests from government departments, cities, and States?

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. Please put that in the record at the proper place.

Mr. STRATTON. Yes, sir.

UNIVERSITIES AND SCHOOLS.

Arizona, University of.
Amherst College.
Armour Institute of Technology.
Cornell University.
Columbia University.
Carnegie Technical School.
Case School of Applied Science.
Cincinnati, University of.
Clark University.
Carleton College.
District of Columbia schools.
Delaware College.
Harvard University.
Illinois, University of.
Iowa, State University of.

Kansas, University of.
Massachusetts Institute of Technology.
Maine, University of.
Minnesota, University of.
Northwestern University.
North Dakota Agricultural College.
North Dakota, University of.
Ohio State University.
Pennsylvania, University of.
Purdue University.
Pratt Institute.
Vermont, University of.
Washington, University of.
Wisconsin, University of.

In all, 29 educational institutions.

Requests for tests from government departments, 1908, to November, inclusive.

Department.	Bureaus or divisions.	Number of requests received.
Agriculture.....	6	46
Commerce and Labor.....	8	46
Treasury.....	8	52
War.....	9	20
Navy.....	7	14
Interior.....	5	24
District of Columbia.....	6	11
Justice, Department of.....		2
Post-Office Department.....		16
Government Printing Office.....		24
Court of Claims.....		1
United States Capitol.....		10
Isthmian Canal Commission.....		8
Library of Congress.....		2
National Museum.....		1

States:

Tennessee-----	2
New York-----	4
Illinois-----	2
New Jersey-----	1
Texas-----	1
New Mexico-----	7
Connecticut-----	1
Massachusetts-----	3

Cities:

Great Falls, Mont.-----	1
St. Louis, Mo.-----	1
Waterville, Me.-----	1
Baltimore, Md.-----	2

Mr. BINGHAM. In your annual report do you make a statement of the fees from the general public, and, correspondingly, how much they would have been from the Government?

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. You make that difference; you show what it is for the Government and for the public generally?

Mr. STRATTON. Yes, sir.

SCIENTIFIC SERVICES (AGAIN).

Mr. BINGHAM. You submit four or five requests for additional force, physicists, I observe. Do you promote those of your force to higher compensation?

Mr. STRATTON. Sometimes. Where an expert is needed it is sometimes necessary to go outside of the bureau, because we need men of particular training. If a vacancy exists and we have a man in the bureau fitted for the work, he would naturally be given the preference.

Mr. BINGHAM. You ask for 10 laboratory assistants, an increase of 2?

Mr. STRATTON. Yes, sir. They are distributed through the different grades. That is a reasonable increase.

Mr. BINGHAM. You ask for one to do a special line of work, a mechanician?

Mr. STRATTON. Outside of the scientific positions, there is 1 clerk, 1 mechanician, and 1 engineer. We have had practically no increase for several years in those lines, and we are very short of help in them.

Mr. BINGHAM. You ask for a glass blower?

Mr. STRATTON. Yes, sir.

Mr. GILLET. Have you a glass blower?

Mr. STRATTON. No, sir; it is a new position.

Mr. GILLET. Why do you need a glass blower?

Mr. STRATTON. Because a great deal of the apparatus is made of glass.

Mr. GILLET. You have not any glass blower now?

Mr. STRATTON. No, sir; not so classed. But it is often necessary to employ one—that is to say, we often send work to a glass blower—but it is not an economical or efficient way to have it done. The bureau needs the services of a glass blower as much as that of any other artisan, especially as no shops for this work are to be found nearer than New York.

APPARATUS, MACHINERY, ETC.

Mr. BINGHAM. For "Apparatus, machinery, tools, and appliances," you ask \$5,000 additional?

Mr. STRATTON. I would like to have an addition to that fund. In fact, our estimate was for a larger increase.

CONSTRUCTION OF FIREPROOF LABORATORY.

Mr. BINGHAM. The next item is "For completing the construction of a fireproof laboratory."

Mr. TAWNEY. Is that building being constructed under contract?

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. What is the contract price?

Mr. STRATTON. The contract price for the outside, such as is usually included in the first contract, is \$142,000. We reserve the balance for the putting in of the piping, wiring, the heating plant, and the finishing off of the floors.

Mr. TAWNEY. When will the building be completed?

Mr. STRATTON. The contract calls for completion in ten months from the signing of the contract. It ought to be completed by the 1st of next August. We will have the use of the basement floor before that.

Mr. BINGHAM. Have we appropriated amply for the building?

Mr. STRATTON. Yes, sir.

Mr. TAWNEY. What time will you complete the equipment inside? In other words, will you spend all of this money during the fiscal year 1910?

Mr. STRATTON. Yes, sir. That will all go for the permanent equipment of the building. Some of the apparatus that goes into that building we have already and some will come from our regular equipment fund in the future.

Mr. TAWNEY. Will you need the whole \$125,000?

Mr. STRATTON. Yes, sir.

Mr. GILLETT. Will you have the building finished next year?

Mr. STRATTON. Yes, sir.

FUEL, STATIONERY, ETC.

Mr. BINGHAM. "For heat, light and power," etc., you ask an increase of \$2,500. Were you not able to live this year on the \$15,000?

Mr. STRATTON. We have by being very careful and by cutting off some things that ought to be bought out of this fund. For two years the coal bill has been increasing, and the heating of the new building will come out of it next year. The increase is due principally to that cause. Furthermore, books, periodicals, and other general expenses come out of this fund. We have not been able to get more than \$500 worth of books for the past year or two. The bureau does not plan to install a complete library, but it is absolutely necessary to have a good, up-to-date reference library.

Mr. BINGHAM. You never ask for a deficiency?

Mr. STRATTON. No, sir; because we do not incur deficiencies. This increase is asked for because we have found during the past two years that the present sum is not enough.

Mr. GILLET. Is not \$500 annually enough for your library?

Mr. STRATTON. Not when you include technical periodicals. We have never bought many books. We have not any accumulated money.

Mr. GILLET. Five hundred dollars will buy more than all the technical books and periodicals there are.

Mr. STRATTON. There are single sets of some of the important reference periodicals which cost that much. But we use the collections of the Library of Congress as much as possible. As a matter of fact, during the last two years we have bought very few books, and we must have certain reference books. We are not endeavoring to build up a complete library, but one composed of such books as the scientific work needs at close hand.

Mr. TAWNEY. Will the cost of heating the new building be chargeable to this appropriation?

Mr. STRATTON. Yes, sir.

Mr. BINGHAM. That is where you need the additional coal?

Mr. STRATTON. Yes, sir.

Mr. LIVINGSTON. You ask for an increase of \$37,000 over last year's appropriation. Tell us what you are really compelled to have and what you can do without.

Mr. STRATTON. I have already done that. My estimates were made on that basis.

Mr. LIVINGSTON. Suppose we do not decide to give you all you ask for?

Mr. STRATTON. That is for you gentlemen to say. It would be very unfortunate for the bureau, as the estimates submitted include only the pressing needs.

Mr. LIVINGSTON. Is there anything special you want?

FLAME STANDARDS.

Mr. STRATTON. I would like to say something about the two special funds; they are asked for two exceedingly important investigations, but which require more money than can be spared from the regular appropriations. Take the first paragraph—those terms may be scientific—"For the investigation of the Pentane, Hefner, and other flame standards;" but they refer to a very important and necessary investigation. The estimates were submitted in this form in order that you would know that the money is for a definite purpose, and we do not want to take them up without an understanding that a definite amount of money is available for that purpose.

Mr. BURLESON. Are Pentane and Hefner lamps flame standards?

Mr. STRATTON. Yes, sir.

Mr. BURLESON. Why not strike out those words and just say, "For the investigation of flame standards?"

Mr. STRATTON. That would be as well.

It is an important investigation and we can not carry it on with our usual funds. The electrical engineers have agreed to come to a uniform standard of candlepower. The question of electric light standard is in very good condition. The makers and the users generally specify the standards as maintained at the bureau. The gas people over the country are still using candles in some places, and I know of no question of measurement that is in such a chaotic con-

dition as the gas standards of light of gas. The gas industries have agreed to come to the same standard as the electrical interests if we will develop flame standards for them. They say that they do not want to test their gas by the electric standards. They must have flame standards—the Pentane, Hefner, and others are very difficult to set up. An investigation is necessary with a view to determining the conditions under which these must be used, to make improvements in them, and to determine their value in standard units the same as used by other light measurements. It is a very important matter which concerns a great many people. There is another point to be considered—the value of gas often depends upon its heating power. If we include lighting by means of incandescent mantles, three-fourths of all gas used is for heating purposes, and if our public service commissions or others in authority specify that gas companies shall furnish a certain quality of gas, they must first know what quality to specify, and in all of this incandescent gas lighting or gas sold for power or heating purposes it must be the heat-producing power of the gas. They are beginning to sell gas according to its heat value. This is usually determined from the heat value of the constituents of the gas, and it is the value of these constituents that must be determined in order that the heat value of the gas can be told from its chemical analysis.

Mr. BURLESON. Can you complete this investigation for \$10,000?

Mr. STRATTON. I am inclined to think that the investigation may extend over another year, and might require perhaps \$5,000 or \$10,000 more, but I do not intend that it shall if I can possibly avoid it.

Mr. BINGHAM. You only ask for \$10,000?

Mr. STRATTON. I think that \$10,000 will be all that we can use next year. I hope to complete it in the year.

Mr. GILLET. That is very important?

Mr. STRATTON. Yes, sir. The gas engineers have requested this investigation and offered to come before you and make their own request for it.

Mr. BURLESON. They do not offer at the same time to pay the expense?

Mr. STRATTON. How could they? Could we afford to accept it?

AID TO STATE SEALERS OF WEIGHTS AND MEASURES.

I would like to call your attention to the next item. Forty-five or fifty years ago Congress gave each of the States an elaborate and expensive set of weights and measures. If you look back over the appropriations you will find that a lot of money was used to make weights and measures for the States. In nearly every case those weights and measures were put away and no provision made for their use. Furthermore the bureau is often called upon for information as to the laws and usages in the various States, and especially cities must in the end supervise all local matters concerning weights and measures.

Mr. LIVINGSTON. We know all about that in the States.

Mr. STRATTON. We would like to make an investigation to see what the States are doing with their standards, and to encourage them to take up and supervise the local work as they should. In the end it

will relieve the bureau of a lot of testing. A few States are taking up the question.

Mr. GILLETT. Are the States using them?

Mr. STRATTON. Massachusetts is one of the few States that are using them, and is at present the model State as to the inspection of local weights and measures.

Mr. LIVINGSTON. Georgia has a standard for measuring scales, and whenever new scales are bought you have to bring out the standard and test them.

Mr. TAWNEY. Have you seen any request from the States for this aid?

Mr. STRATTON. The requests usually come from public-service commissions, city officials, and the public generally, who say they can get no work done by the State. We invite all state and city weights and measures officials to visit the bureau. They have an organization and often meet at the bureau, but it is confined to a few States. The bureau must reach the public in matters pertaining to ordinary weights and measures—and that is a very important function of the bureau—through state and city officials by testing their standards, teaching them methods, and so forth; but the investigation is equally important from the point of the bureau's work. We are called upon daily to furnish information as to weights and measures laws in the various States, their practices as to the measurements of commodities, and so forth. This is very urgent from our own standpoint.

Mr. GILLETT. You say the States have standards?

Mr. STRATTON. Yes; they were provided with standards of weight and capacity. They send them to us to be tested.

Mr. GILLETT. I thought you said that you supplied the States with standards?

Mr. STRATTON. No; we have supplied a few to new States, but most of them were supplied before the bureau was established. We have to encourage the States to get them out and use them. There is a growing tendency throughout the States to take up the question of weights and measures, and the bureau should assist in every way possible. When once a State takes up this matter there is no trouble getting it to cooperate with the bureau. Massachusetts is a good example. Your sealer, Mr. Palmer, works hand in hand with the bureau. He comes to us for advice as to a great many scientific questions, and I would like to see every State do what you are doing in Massachusetts; and they will, once they get started. But again let me say that, while this is a very important object of this investigation, it is not the only one; we want the information for the work of the bureau.

Mr. TAWNEY. If the States do not appreciate the importance of this, why should the Federal Government take the initiative?

Mr. STRATTON. They do appreciate it very much, but they do not know as yet how to go at the work; they are willing enough. But I would call attention to the fact that if each State and large city looks after this very important work as it should, the bureau would not only be relieved of much testing, but it would be of vastly greater use to the public in the weights and measures of everyday trade; and what greater object could it have in view? I consider this

a very important investigation—one that the bureau should take up at once, both from the standpoint of its own work and that of the public.

DEPARTMENT OF THE INTERIOR.

STATEMENTS OF HONORABLE JAMES R. GARFIELD, SECRETARY OF THE INTERIOR; MR. FRED. DENNETT, COMMISSIONER GENERAL LAND OFFICE; MR. GEORGE OTIS SMITH, DIRECTOR GEOLOGICAL SURVEY; MR. R. G. VALENTINE, ASSISTANT COMMISSIONER OF INDIAN AFFAIRS; MR. VESPASIAN WARNER, COMMISSIONER OF PENSIONS; MR. EDWARD B. MOORE, COMMISSIONER OF PATENTS; AND MR. ELMER E. BROWN, COMMISSIONER OF EDUCATION.

Mr. BINGHAM. Mr. Secretary, have you anything generally that you desire to submit to us?

Secretary GARFIELD. I think not, Mr. Chairman.

Mr. BINGHAM. Then you can go right on to page 185 of the bill.

IRRIGATION INSPECTORS.

Secretary GARFIELD. That change was suggested in order to overcome the tangle over the transfer of those inspectors from the Indian Bureau to my office. It would make it easier of administration to have these inspectors directly under my office, rather than have them carried on the Indian bill.

Mr. BINGHAM. Was the Committee on Indian Affairs consulted on that proposition?

Secretary GARFIELD. Yes, and they were willing to do it; but last year the two bills were at such a point that it was feared that both would pass containing the same appropriation.

Mr. GILLET. Is this the same language as that in the Indian bill?

Secretary GARFIELD. It is the same. It can be transferred from that bill to this.

Mr. TAWNEY. While those inspectors were appropriated for heretofore under the Indian appropriation bill, that necessarily limited the scope of their activities to such irrigation works as were conducted and carried on by the Indian Bureau. Now, will not this transfer with this language broaden the scope of their activities and make them available for employment in connection with irrigation works outside of the Indian Service?

Secretary GARFIELD. I am very glad you brought that point up. I was not aware that this language was in here. Those two officers, namely, the chief and one other inspector of irrigation—those two should be left in the Indian Office. They have wholly to do with Indian irrigation.

Mr. TAWNEY. We have a general irrigation law for all irrigation projects outside of the Indian Service. If we are authorizing engineers here to work in connection with irrigation generally, the Interior Department, independent of the Reclamation Service, may establish another irrigation service.

Secretary GARFIELD. Mr. Leupp called my attention to this, and it was evidently his intention to change it. That can be changed to six inspectors, and strike out the words, "two of whom shall be engineers."

Mr. TAWNEY. Make it six instead of eight?

Secretary GARFIELD. Yes.

Mr. TAWNEY. You mean to strike out the words "two of whom shall be engineers, one to be designated as chief, competent in the location, construction, and maintenance of irrigation works?"

Secretary GARFIELD. Yes; and strike out the words "except the chief engineer, who shall receive \$3,500."

Mr. TAWNEY. Strike out that language that I read?

Secretary GARFIELD. Yes.

Mr. TAWNEY. Six inspectors at \$2,500 each per annum?

Secretary GARFIELD. Yes.

Mr. GILLET. But they still would not be limited to the Indian lands.

Mr. TAWNEY. They are inspectors. They are not engineers authorized to do any work in connection with irrigation.

Mr. BINGHAM. The next change is at the bottom of the page.

TRANSFER OF THE LABOR FORCE.

Secretary GARFIELD. That is a transfer of the labor force to the Secretary's rolls, carrying out further the changes we made last year. These are simply laborers who are now in the Indian Office building, and it would simply put them under the officers who have charge of the labor service in those two buildings.

Mr. BINGHAM. Now go to page 186.

TRANSFER OF CHARWOMEN.

Secretary GARFIELD. That is a change of charwomen in the same way.

Mr. TAWNEY. Does that involve any increase of force?

Secretary GARFIELD. It does not.

Mr. BINGHAM. Is there anything else, Mr. Secretary? That takes up your office?

Secretary GARFIELD. Yes.

TRAVELING EXPENSES OF INSPECTORS.

Mr. TAWNEY. At the bottom of page 188 there is an item that is new.

Mr. LIVINGSTON. Does that refer to the inspectors we provided for?

Secretary GARFIELD. Yes; only there should be six instead of eight, and the total should be changed.

Mr. BINGHAM. That is simply carrying out the change in the other provision?

Secretary GARFIELD. Yes, sir; and the total on page 189 should be changed.

Mr. GILLET. How does your new organization work, Mr. Secretary?

Secretary GARFIELD. Very well. The general work of the department is closer up-to-date than it has ever been in its history. We have gone on still further in the general plan of reorganization and have simplified a great many of the administrative processes connected with every one of the bureaus. Now we have brought the work down to a point where within this year we will be current, with the exception of some hearings in the Land Office. As to that, Mr. Dennett can explain it himself.

GENERAL LAND OFFICE.

Mr. TAWNEY. Mr. Dennett, you received from the last session of Congress an increase of \$250,000 for the investigation of land entries in the cleaning up of the accumulated business of your department. What progress has been made and how near current is that work now? At that time, if I recall it, you had 185,000 accumulated entries.

Mr. DENNETT. We had 31,000 cases which would involve, of course, individual investigations which would bring it to a greater number than that. I would say in answer to that question that whilst I have not the full data here, for I presumed that this was the hearing on legislative appropriation bill—

Mr. TAWNEY. It is the legislative appropriation bill; but that question may be asked of the committee on the floor of the House in the consideration of the legislative bill, and it was for the purpose of getting information for that end that I asked the question.

Mr. DENNETT. The work has been pursued very energetically and very earnestly. We have very largely caught up with the old work—with old accumulations—but we have new investigations which in number are about equal to the old. We must have 80,000 cases.

Mr. BINGHAM. Within a limit of how many years do you mean when you say new?

Mr. DENNETT. In the last year. Here is the reason: A complaint is received by a special agent. He goes into that vicinity and makes an investigation. This is one of the old cases. While he is in that vicinity he is apt to pick up from complaints brought to him or from matters which are brought to his immediate notice one or two more, which he investigates at that time, but they become unfinished matter. The old case may be set for a hearing and brought to a conclusion. A new case may not be brought to a conclusion at the same time with the old case.

Mr. TAWNEY. Has or has not your work in the investigation of these cases been retarded in consequence of your not having had the necessary appropriations?

Mr. DENNETT. It has been retarded. There is no question about it. If the work had been properly organized in the past, it would be in a much better condition to-day.

Mr. TAWNEY. I mean during this current year.

Mr. DENNETT. We have been satisfied with the \$500,000. We have organized a force which I should like you gentlemen to investigate as to its organization and as to its personnel, and we have done more work this year proportionately than we did even last year, which was proportionately greatly in excess of the work that was done before in any one year.

Mr. GILLET. But you say you are no nearer current now than you were before?

Mr. DENNETT. A great many of these cases that we brought to you last year were four or five years of age. They were incumbrances on the record. We are not now receiving complaints as to those. We are near current on those, but we have new cases.

Mr. BINGHAM. Now, Mr. Secretary, give us your reasons for the changes on page 189. I observe in that connection that you have made notes a, b, c, d, and e. Have you anything additional to submit there? I see there is a reduction in your estimates.

CHIEF LAW REVIEWER—CHANGE OF TITLES.

Mr. TAWNEY. Do you want that title changed from "chief law clerk" to "chief law reviewer?"

Mr. DENNETT. Yes. I can say briefly, in regard to the change of titles, something that I told you last year. First, I would like to call your attention, if I may, to the report we issued showing the additional amount of work accomplished in the past fiscal year.

Mr. BINGHAM. That is in your report?

Mr. DENNETT. Yes, ~~Mr.~~; that is in my report. We averaged an increase of about 40 per cent in the bureau over the work that had been done in the prior year. In other words, we think that with a salary appropriation of \$475,000, in round numbers, we saved about \$200,000. In other words, we accomplished in one year what at the prior rate of progress would have taken eighteen months to accomplish.

I should preface my request with a statement, because this request hinges upon it. One of the great things I am trying to establish in the bureau, and which Judge Ballinger tried to establish, is personal pride in the work that is being performed. If you can get every man to take a personal pride in and the responsibility on his shoulders of his work, you are going to get the greatest amount of work out of your force. We have in the bureau 150 men who are graduated lawyers and who have been admitted to the practice of law; men who have gone through the law schools, but who, when they come into the office are rated in one class, as clerks, and not as lawyers. You may say that that is a very minor detail, but I do not think it is. I think if those people could take the proper titles that they have earned by their studies at law school, and by the fact that they have taken bar examinations and have been recognized by Congress as having attained the standard of lawyers, you would see that there would be greater pride in the work done, even than there is in the work that they are doing now.

Mr. BINGHAM. You mean to take first and second and third and fourth class clerks and call them "law reviewers?"

Mr. DENNETT. Yes. They are law reviewers. They are graduates of law schools. They do law work. Why should you not recognize their work and give them the proper title?

Mr. TAWNEY. Assuming that would be so, is that the only reason for the change? Would this change of title be used for the purpose of asking for increased compensation?

Mr. DENNETT. Do you want to hear me on that question of increased compensation at this time?

Mr. TAWNEY. We are not asked for any increased compensation now. But would this change of title, if it were made, be used in the future as an argument for an increase of compensation?

Mr. DENNETT. I would like to ask for increases of compensation for certain positions. The General Land Office has a great deal of diversified work. Now, I am not talking to you from the point of the personnel of my clerks, nor from the point of view of any particular clerk. I think that is a wrong statement to make. I am talking to you from the point of view of the work that we have to do and the necessity of getting first-class men to do that work, in order that we may do it the most economically and get the best results. Let me cite this little single point, to begin with—

Mr. GILLET. This is not before us. There is no recommendation for an increase, and consequently it is not a matter that we can take up this year.

Mr. DENNETT. I would like you to hear it for your own information.

Mr. GILLET. But it is not estimated for.

Mr. DENNETT. I can show you in a brief way: We collected in the General Land Office, in the cash receipts, \$12,715,000. That has to be accounted for, and the chief of the division of finance is supposed to check the receipts. The old system of checking which we had in the General Land Office was absolutely as inaccurate and imperfect as it could be. An entirely new system has been inaugurated, and under it we think we can check defalcations, and see to it that the United States receives that money for its land that it ought to receive. In other words, supposing land should be appraised at the rate of \$2.50 an acre, under the old system that was not checked. It was supposed to be checked, but it was not checked.

Any man who came and paid the Land Office money did not receive a receipt at the time he paid that money.

Those are just a few facts. When this matter was taken up Judge Ballinger and myself tried to figure where we could get a satisfactory chief of that division. We felt we would have to make a change. We investigated and got proposed to us the names of men who had established something of a reputation as accountants. One man was a man who was very highly recommended. I think he is at present auditor or deputy auditor in Cuba. We could not get a man who was willing to come and take that position for less than \$2,500 a year or \$2,750 a year, and all we could offer was \$2,000, and yet the occupant of that position was supposed to check the receipts of \$12,000,000 in a year. I do not think you can get a man who can do it. Ultimately we found a man in my office, and he is making a success of the work. He was a stenographer and typewriter who had had an experience as a bank clerk and as an insurance clerk; and I will state, incidentally, that that man was offered at one time \$250 a month from a private office, but he did not like the class of work he would have had to do, because it was really a different class of work.

Again, we opened up in the Rosebud Reservation lately a great deal of land. When a similar opening was made some years ago it cost the United States some \$21,000. I think when we show you the expense that this was done under this year we will show you a saving of some \$12,000.

Now, I am merely showing you what expenditures we do make, and, if we have the right men to do it, how much we can save. Again, view the importance of the law questions we decide. It was only the other day that we had a matter under consideration involving \$500,000, and matters involving \$1,000,000 are not infrequent in our office. I merely submit that to you gentlemen for your consideration.

Mr. BINGHAM. That statement covers in general the requests you have made?

Mr. DENNETT. No. We desire to substitute three law examiners, at \$2,000 each, in lieu of three inspectors of surveyors-general and district land offices. These changes in grade are a simplification of titles and represent the actual work of those men. We now send our clerks into a land office and can keep them there three or four weeks to bring up the work. If they are inspectors-general we can not bring them back to my office when they have covered the offices, but they must go around over the country and cover it again. If they were made law clerks, I can bring them in here and have them pass upon cases pending the necessity of new examinations, but we can not do it under the present reading of the bill.

Mr. BINGHAM. Then, without regard to changes of title, you make a less request in your sum total than is carried in the current law in the body of the General Land Office?

Mr. DENNETT. Yes. I see what you mean.

Mr. BINGHAM. You seem to ask for \$566,000 now, as against \$572,000 carried in the current law. Is that correct?

Mr. DENNETT. That is correct.

Mr. BINGHAM. On page 192, can any reduction be made on law books?

Mr. DENNETT. I think not.

MINE INSPECTORS.

Mr. BINGHAM. The next paragraph appropriates for maps. I see the mine inspectors are in brackets. That is stricken out.

Secretary GARFIELD. That is now provided for under the Geological Survey. That may be left out here.

Mr. GILLET. You mean that appropriation of last year?

Secretary GARFIELD. Yes.

Mr. TAWNEY. They are not transferred. They are entirely independent. You mean by the omission that there are no inspectors appointed under this division and none in existence now.

Secretary GARFIELD. No. We made the change last year. They need not have been put in here.

Mr. TAWNEY. What became of the appropriation last year?

Secretary GARFIELD. It was carried, Mr. Tawney, under the head of the Geological Survey appropriation instead of being in the General Land Office. Am I right about that, Mr. Smith?

Mr. SMITH. The item was passed here, but the force was transferred, and the appropriation was transferred to us to disburse.

Mr. TAWNEY. What bill was that?

Mr. SMITH. That was in the legislative bill, and with it went the appropriation of \$150,000. They were paid out of the item just before the \$150,000.

Mr. GILLETT. They should go out here entirely?

Mr. SMITH. The estimate was put in for the other by the Geological Survey.

Secretary GARFIELD. I transferred them to the Geological Survey rather than leave them in the Land Office.

Mr. TAWNEY. What became of the appropriation?

Secretary GARFIELD. It was left as it is, but under my method of administration it was left with the Geological Survey rather than with the General Land Office.

Mr. GILLETT. That is, the Geological Survey has the \$150,000, plus these two men?

Secretary GARFIELD. Yes.

Mr. SMITH. Yes; and their per diem. There are three items.

Mr. TAWNEY. Here is a provision for salaries of two mining inspectors authorized by the act approved March 3, 1891, for the protection of the lives of miners in the Territories, at \$2,000 per annum. \$4,000, and then the per diem provision follows that, for \$3,350; then the act approved March 3, 1891, authorizing the appointment of these two inspectors which have heretofore been appropriated for under the provisions of the appropriation for the General Land Office in the legislative bill.

Secretary GARFIELD. Yes.

Mr. TAWNEY. And they were so appropriated for in the current law?

Secretary GARFIELD. Yes; this year. I have simply had those men report to the Geological Survey rather than to the Land Office, because their work was in direct connection with that work of the Geological Survey.

Mr. TAWNEY. A strict compliance with the law, or a compliance with the law governing the submission of estimates, I suggest, would require a statement of just what the estimates in the General Land Office provide; that is, submitting the estimate in the language of the current law, with such notes concerning changes as may be desired. Now you want to have these two men transferred from the Land Office to the Geological Survey, but you have transferred both of them in fact, and the estimates are sent in without any explanation at all.

Secretary GARFIELD. I supposed that that was explained. It was through my own error.

Mr. TAWNEY. You omit it entirely without any explanation. You see the statutes governing the submission of estimates provide that—

Hereafter the estimates for the expenses of the Government, except those for sundry civil expenses, shall be prepared and submitted each year according to the order and arrangement of the appropriation acts for the year preceding, and any changes in such order and arrangement, and transfers of salaries from one office or bureau to another office or bureau, or the consolidation of offices or bureaus, desired by the head of any executive department may be submitted by note in the estimates.

Secretary GARFIELD. I had supposed that was done. I know we had it up, and it was my error for not seeing that it was done.

Mr. TAWNEY. That was done in the Land Office estimates.

Secretary GARFIELD. Do you remember if that was put in the Geological Survey estimates?

Mr. SMITH. I think so, in the sundry civil estimates. The point, Mr. Secretary, was that the \$150,000 appropriation for mine accidents was not under any bureau. It was simply under the Secretary of the Interior, and when that was transferred for administrative purposes to the Geological Survey the inspectors went with it and their per diem. The three items were considered as being under one general head.

Secretary GARFIELD. May I then simply make a statement of that?

Mr. TAWNEY. You may make a statement for the record, although I do not think it is necessary.

Secretary GARFIELD. Very well.

PER DIEM OF MINE INSPECTORS.

Mr. TAWNEY. For what reason do you recommend the omission of this first paragraph on page 194? It is the top paragraph on page 194?

Secretary GARFIELD. That has to do with the per diem of the mine inspectors that we were just discussing, and the next is the same way. That is a continuation. We are now down at the foot of that page.

INDIAN OFFICE.

If I may make a general statement regarding the Indian Office, the suggested changes which appear here are the result of a very careful reorganization of the Indian Office made by Mr. Leupp and myself during the past fiscal year, finding that the Indian Office was in need of the same kind of administrative change as has been made in the Land Office and other bureaus of the department; and the changes suggested have been for the purpose of simplification of titles and putting the organization on a very much more businesslike basis than heretofore.

I will ask Mr. Valentine, the Assistant Commissioner of Indian Affairs, to take that up with you—the details of the Indian Office.

CHANGES OF TITLE.

Mr. BINGHAM. On page 194 in the chief of division there is a change of designation, which I see runs through the whole paragraph.

Mr. VALENTINE. It is simply to make our salary list conform to the new organization. It is simply a change of designations.

Mr. LIVINGSTON. You are aware of the fact, though, that a change of designation there, as in other departments, carries with it an increase of salary? You know a chief of a division will not sit down and be satisfied with a salary below what other chiefs are getting. We try here to put them on all fours.

Mr. BINGHAM. When you changed these designations did you increase the pay?

Secretary GARFIELD. There have been no increases of pay.

Mr. BINGHAM. Then you have only made your changes of verbiage consistent?

Secretary GARFIELD. Yes, sir.

Mr. LIVINGSTON. Do you mean to say, Mr. Secretary, that you have abolished the position of financial clerk, and that you are going to

have a chief of division in place of the financial clerk? Is that the purpose?

Secretary GARFIELD. That is the purpose.

Mr. LIVINGSTON. Will the same man who is now acting as financial clerk act as chief of division?

Secretary GARFIELD. The same man, I believe it is.

Mr. LIVINGSTON. As you are not appropriating any money for him, I suppose it would be the same.

INCREASE OF FORCE.

Mr. BINGHAM. Now, what of this increase of force on page 195?

Mr. VALENTINE. That is recommended because the Indians who are covered by the Indian Office are changing from the tribal relationship to the individual relationship, and this change from the tribal relationship which is now in the course of going out of existence, as we hope it will completely at some future time, will temporarily cause a vast increase in the work we do.

Mr. BINGHAM. You must go to work now, must you, for the expected wiping out of your office?

Mr. VALENTINE. Yes, sir.

Mr. GILLET. Do these changes accord in title, and so forth, at all with the changes you made last year? Is there any similarity between them?

Secretary GARFIELD. There is a great similarity. We endeavored so far as possible to bring the organization of the different bureaus into harmony, and on the question of increase the idea is not to give higher salaries to any of the officers already there, but to increase places as set forth on page 195; and the reason for the increases in those places is, as stated by Mr. Valentine, because of the very great increase in the work of the office itself by reason of these changes in relation to the Indian.

Mr. BINGHAM. How long from now do you estimate that changed relation is to take place?

Secretary GARFIELD. I do not know.

Mr. BINGHAM. But you must base it on something.

Secretary GARFIELD. Say twenty years—a generation—while the minors are still under the tutelage of the department.

Mr. BINGHAM. Yet this first amount means \$12,000 increase in the next year.

Secretary GARFIELD. It means \$11,300 increase, and I think that will take care of the work. I do not see that any future increase will be required. Of course I can not promise that, but with the organization we have there, and the field organization, which supplements it, and the additions we ask for, it will be possible for us to complete, without additional clerks in the future, the winding up of the affairs of the various Indian tribes.

Mr. GILLET. There has not been any such growth, I suppose, as this change would indicate this year?

Mr. VALENTINE. As an illustration, the incoming mail of the department has increased 23 per cent, and the outgoing mail has increased 47 per cent; and that is a good sign, for it means that we are initiating more correspondence than we are getting in. We have

taken the bull by the horns, so to speak, and have not waited for cases to come up.

Mr. GILLET. What particular line is this correspondence in, for example?

Mr. VALENTINE. In allotting work where we are breaking up reservations; the allotting work has almost doubled in the last year.

Secretary GARFIELD. You see, we deal with each individual Indian.

Mr. BURLESON. You see the end of that work in view, don't you?

Mr. TAWNEY. No. You will not see the end of the guardianship over the Indian so long as we have any Indians and the administration of their trust funds.

Secretary GARFIELD. When it comes to the care of their personal property, I do not know when that will end.

Mr. TAWNEY. The Government is assuming the guardianship over the individual Indian now, instead of guardianship over the tribe, as heretofore.

Mr. BURLESON. Under what law is that?

Mr. TAWNEY. The law authorizing the individual allotments.

Secretary GARFIELD. It is under legislation contained chiefly in the general Indian acts.

Mr. TAWNEY. The law authorizes the allotment of lands to individual Indians. Of course that was with a view to getting them established as individual citizens, and working out their own salvation and trying to teach them to become independent, instead of dependent.

Mr. BURLESON. You say you can have no idea of when this allotment of land will be completed?

Secretary GARFIELD. Each allotment is in accordance with an act of Congress authorizing the opening of the reservation. Each year we are authorized to open several reservations. I do not know how many reservations remain. Do you know, Mr. Valentine?

Mr. VALENTINE. There must be 20 or 30 that are very large.

Secretary GARFIELD. Congress has not yet acted upon these, and until it does act upon them we shall continue to handle those Indians as tribes and not as individuals.

Mr. BURLESON. When you undertake to make an allotment, you finish that allotment very speedily, don't you?

Secretary GARFIELD. Not always. Sometimes it takes one or two or three years, depending on the size of the reservation. Some of the reservations are very large and rough, and the survey takes a great deal of time.

Mr. TAWNEY. And it depends also on the willingness of the Indian to accept his allotment?

Secretary GARFIELD. That is right.

Mr. TAWNEY. We have had that trouble in our State.

Secretary GARFIELD. We have Indians to-day who simply will not come in for their allotments.

Mr. LIVINGSTON. Can you not force them in?

Secretary GARFIELD. You can make their allotments and send for them and try to give them their certificate of patent, but when you do that some of the Indians will tear it up and throw it away, saying that they do not want to have anything to do with individual lands.

Mr. BINGHAM. I understand you to say that the process of winding up their affairs will require twenty years, commencing this year with your reorganization. What remains distinctively in the Indian Office? What do you eliminate?

Secretary GARFIELD. When I refer to that period, I am referring now to the allotment of lands. After that will come the question of dealing with these various Indians who are still laboring under disability as minors, or lack of competency, and whose deeds to their allotments will be in the nature of trust patents, as now provided in many instances, and these trust patents can not be disposed of until Congress either wipes off the restriction or the Secretary in individual cases finds them to be competent and issues to them a patent in fee.

MESSENGER BOYS.

Mr. TAWNEY. I would like to ask Mr. Valentine as to the necessity for these additional messengers—five messenger boys instead of one.

Mr. BURLESON. And there are three laborers there that they are abolishing?

Mr. COURTS. They are transferred back to the Secretary's office.

Mr. VALENTINE. Those increases are needed, because this year we have installed a vertical flat filing system in which all the papers in any one case are kept together. That necessitates a very rapid-fire system of communication all through the office between the clerks and the filing system, which we have placed as centrally as possible, but in order not to waste the time of the clerks we need a few bright, quick boys who can be ready at all times to do that work.

Mr. LIVINGSTON. That is only an addition of one man.

Mr. TAWNEY. Those laborers are transferred to the Secretary's office. It is an increase of four men.

Mr. LIVINGSTON. No; three laborers and one messenger are dropped and five messenger boys are added.

Mr. BURLESON. Those laborers are transferred to the Secretary's office. They are not dropped, as a matter of fact.

Mr. LIVINGSTON. We have to take things as we see them.

OFFICIAL SIGNATURE.

Mr. GILLETT. What is the need of this man to sign letters?

Mr. VALENTINE. That is very important. It is a physical impossibility for the commissioner and assistant commissioner to read with any degree of care or even properly supervise all the letters that go out over their desks. Again the commissioner or assistant commissioner has to be absent from the city making awards of contracts at the warehouses in New York, Chicago, St. Louis, and San Francisco, and to visit the Indians on their reservations, where some one in authority is required to see conditions and settle questions in person; and the illness or death or other compulsory absence of the other officer in command of the bureau is liable to leave the machinery at a standstill. In the past year it has happened that the acting chief of the bureau has dragged himself out of a sick bed at the risk of his life to keep the office from stopping work he alone could handle, for

the only other officer competent under the law to act was 2,000 or 3,000 miles away on official business.

Mr. GILLETT. You do not expect to read all the letters that you sign?

Mr. VALENTINE. We try to at least catch the vital paragraphs; it saves lots of trouble in the end.

Mr. TAWNEY. I can not do it myself. I have got to rely upon the ability of my stenographer to translate his notes properly.

PURCHASE OF LAW BOOKS FOR LIBRARY.

Mr. BINGHAM. That paragraph seems to be entirely new. Please give us some explanation there.

Mr. VALENTINE. In regard to the law books?

Mr. BINGHAM. Yes; law books, library of Indian Office, \$500.

Mr. VALENTINE. At present when our law clerk or any of his assistants wishes to look up a law point they have in the majority of cases to go either to the General Land Office or to the Assistant Attorney-General's office, or up to the library of the Supreme Court.

Mr. BINGHAM. Is this to start a new library?

Mr. VALENTINE. No, sir. It is not new, but it is imperfect as it is.

Mr. BINGHAM. This is to fill out the library that you already have?

Mr. VALENTINE. Yes; to complete it.

Mr. BINGHAM. Will that be a continuing practice?

Mr. VALENTINE. I think this will be final.

Mr. LIVINGSTON. I have been here twenty years, and I have never seen it become final. When you start a library it is there for eternity.

Secretary GARFIELD. You will recollect that I wiped out a number of them myself.

Mr. TAWNEY. This committee in the last four years has cleaned up several libraries.

OFFICIAL SIGNATURE (AGAIN).

Mr. BINGHAM. You authorize the signature of papers by this selected party?

Mr. VALENTINE. Yes, sir.

Mr. BINGHAM. What does the daily correspondence average there, requiring, under the law, signature?

Mr. VALENTINE. It means about 900 signatures a day.

Mr. LIVINGSTON. What check have you on that signature?

Mr. VALENTINE. We have the checks from the bottom up.

Mr. LIVINGSTON. Are you going to look over the 900 letters?

Mr. VALENTINE. We shall try to.

Mr. LIVINGSTON. If you do, you might as well sign them. Are you going to turn that man loose with your signature?

Mr. VALENTINE. No, sir. This right to sign will be given to the next most responsible employee then in the office—the right to attach his signature.

Mr. LIVINGSTON. Have you not got that right now?

Mr. VALENTINE. No, sir.

Mr. TAWNEY. Can you not now, with the approval of the Secretary, designate, without legislation, some one to sign his name to papers?

Mr. VALENTINE. The law says these shall be signed by the Commissioner of Indian Affairs.

Mr. TAWNEY. Is that correspondence? Does the law state that the correspondence must be signed by the commissioner?

Mr. VALENTINE. In a matter of record or an authorization to an agent in the field the commissioner's signature is necessary. It is our purpose to enable such a man as we have at present in the person of the chief clerk to sign.

Mr. TAWNEY. That is new legislation, and under the rules of the House it would go out on a point of order if the point were made.

Mr. LIVINGSTON. You would get into a muddle in the House, and it would go out.

Secretary GARFIELD. It would be a great help in that office, with the amount of business they have there now. In ordinary correspondence the signature could be authorized, but in a matter of record or an authorization to an agent in the field, which would come under the eye of the Treasury officials, that has to be signed by the commissioner in person or by the person designated in the act.

Mr. GILLET. If he would sign all these himself it would not be any great hardship; that is, if he could sign all those necessary things himself it would not be a hardship for his deputy to sign the correspondence.

Mr. TAWNEY. If you omit the language in the third line, "to sign letters," or omit the words "letters and other papers of that office," and simply say "sign papers," that, of course, would apply to such papers as the law now requires the commissioner himself to sign.

Mr. LIVINGSTON. I would strike out "all papers" and permit him to sign letters only. As sure as you give him the right to sign papers, then he can sign anything.

Mr. TAWNEY. I was speaking about one of the objections that would arise in the House.

PENSION OFFICE.

Mr. BINGHAM. The next is the Pension Office.

Secretary GARFIELD. Commissioner Warner is here, and he can take that up with you.

Mr. WARNER. Yes, sir.

Mr. BINGHAM. On page 198 there is a reduction of \$44,800. Please tell us how you made that.

Mr. TAWNEY. We do not care how he made it. [Laughter.]

Mr. WARNER. In the first place, there is a reduction of one chief of division. That is \$2,000. Then there is a reduction of two \$1,800 people, twenty \$1,300 people, twenty-one \$1,000 people, and twenty-eight \$900 people. That is all.

Mr. BINGHAM. Upon what plan were they reduced?

Mr. WARNER. Simply on the plan that we do not require as many clerks as were appropriated for last year, and we consequently cut them out.

Mr. GILLET. Why did you not require so many?

Mr. WARNER. The work is going down a little, and we are having the other clerks do more work than before.

Mr. GILLET. The amount of pensions is not going down?

Mr. WARNER. No; nor is the number of claims going down.

Mr. GILLET. Is the work simplifying?

Mr. WARNER. It is becoming more simple.

Mr. BINGHAM. The work is now in pretty regular methods and lines, and your only increases now are under the general pension laws, and that makes the business more simple to handle?

Mr. WARNER. The increases are that way, but in the cases of widows, those are the most difficult cases we have.

Mr. BINGHAM. There will be no criticism of this reduction? It is accepted by the men who are the victims, is it?

Mr. TAWNEY. There are no victims. Do not be alarmed about that.

Mr. WARNER. When I assumed the duties of Commissioner of Pensions I determined not to fill vacancies that might arise. So far as the Pension Office is concerned, if you pass this bill as it is drawn I will not have to make any vacancies, except for cause, until the 1st of July.

Mr. TAWNEY. Why do you increase the number of principal examiners?

Mr. WARNER. I can not tell exactly why, but I understand they are needed.

Mr. LIVINGSTON. What need have you for three increases? Last year you were willing to take out all but one.

Mr. WARNER. They are principal examiners of claims that come up to them for review. They are high-class people. They pass on the law and the facts.

Mr. BINGHAM. Why do you drop out the requirement on page 197 that the medical examiners "shall be surgeons of education, skill, and experience in their profession?" Why do you drop that limitation?

Mr. TAWNEY. I suppose the words "qualified surgeon" would be sufficient.

Mr. WARNER. I do not know that I recommended that.

Mr. BURLESON. I think it is surplusage, and ought to be out.

Mr. WARNER. I would rather have it out, since I come to think of it. You can not readily get an experienced physician to go in there at \$2,000 a year.

Mr. BINGHAM. Then you have a reason for crossing it out?

Mr. WARNER. I have a reason now, since you have called it to my attention. [Laughter.]

LIMITATION AS TO FILLING VACANCIES.

Mr. BINGHAM. Now, coming down to page 298, that paragraph regarding vacancies is recommended to be eliminated?

Mr. COURTS. It does not appear in the estimates.

Mr. WARNER. It is immaterial whether that is in or out. It was put in there for the purpose of protecting me and my people in not filling vacancies. It says—

No vacancies now existing in the clerical service of the Pension Office, or which may occur after March first, nineteen hundred and eight, and prior to July first, nineteen hundred and eight, shall be filled by original appointment or by transfer from any other office or bureau of the Department of the Interior. Nor shall any transfers from said Pension Office existing March first, nineteen hundred and eight, be returned to said office.

That was put in at my suggestion for my protection, so that they could not load people on me when I did not need them and in order

that I could be allowed to reduce my force by failing to fill vacancies. I do not want a vacancy filled in my bureau for the reason that I want to protect the old clerks. I do not care whether it is in or out. The Secretary will stand by me.

Secretary GARFIELD. Yes.

Mr. TAWNEY. We want you to perpetuate that policy.

Mr. BURLESON. Why not make it permanent and provide that it shall not be at all?

Secretary GARFIELD. There might be a danger about that. You will get to the point some time where you will have to stop it. You can not tell just where.

PER DIEM OF SPECIAL EXAMINERS.

Mr. BINGHAM. On page 200 the provision for per diem for special examiners stands as you wish it at \$250,000, does it?

Mr. WARNER. Yes, sir.

Mr. TAWNEY. How do you figure out, Mr. Commissioner, the necessity for the same appropriation for per diem expenses after the reduction you have made in the number of your examiners?

Mr. WARNER. I think there is something in that proposition. The per diem expenses might be cut down in proportion to the number of examiners. No, I do not know about that. If there is any balance I can turn the balance back into the Treasury. We often detail people from the office to act as special examiners. In the first place, a proposition was under consideration whether we would not abolish those special examiners entirely. The special-examiner roll is made up of people who are on a \$1,300 salary, and the clerks on that roll must be reappointed every year. They can be dropped at the end of the year, and it is necessary to reappoint them every year, and it has been a question ever since I have been there whether we should not abolish that class entirely and either make them \$1,200 or \$1,400 and send out clerks on detail for special examination purposes. If we send them to the field they are away from us, and they know we can drop them at the end of any year if they do not keep their work up to the standard.

Mr. TAWNEY. On that same principle would you advocate the same policy with respect to all the government employees?

Mr. GILLET. You can drop them just as well if they are in the civil service if they do not do their work.

Mr. WARNER. You have to prefer charges, unless you know yourself that they are guilty of the offense charged, and can so state it. The first thing you know he would apply to the court for a mandamus to compel you to reinstate him.

Mr. GILLET. They could apply, but it would be another matter to say that they would get it.

Mr. TAWNEY. How much of this appropriation did you turn back last year?

Mr. WARNER. I do not remember the exact amount that I turned back last year. Since I have been in the office I have turned back \$2,660,000.

Mr. TAWNEY. How much will you be able to turn back this year?

Mr. WARNER. I could not tell you without the figures.

Mr. TAWNEY. Could you not send us up a note stating the exact amount?

Mr. WARNER. I will send it up unless it will injure my chances of getting what I want before this committee. [Laughter.] Let me explain to you, gentlemen, so that when you get that statement you can understand it. What I turned back into the Treasury is not alone on account of having a less number of clerks, but also on account of pay being stopped when clerks were away without leave.

Mr. TAWNEY. This per diem relates to only one thing. You have reduced the number of those examiners.

SALARIES OF SPECIAL EXAMINERS.

Mr. BINGHAM. Will you give us, on this paragraph, the number of special examiners you have? You have stated that you could reduce the per diem for this force to \$250,000. Tell us at the same time what you can reduce the salaries of that force to, so that we can have a fixed figure to go upon.

Mr. TAWNEY. You made a reduction of this force a year ago, and in consequence of that reduction we reduced this fund \$30,000. We ought to have a reduction of the per diem this year corresponding to the reduction in force.

Mr. WARNER. I will look into that and see if we will require the same amount as before. We have men in the field other than the special examiners. We have men detailed from the office.

Mr. TAWNEY. I know, and you may have men detailed simply because you have got the appropriation. [Laughter.]

Mr. WARNER. No; I beg your pardon.

Mr. BURLERSON. There is a strong temptation to do it, and the prayer is, "Lead us not into temptation."

Mr. WARNER. No; when we have work for a man we detail him and let him get his per diem.

Mr. LIVINGSTON. You will not have any temptations next year, but what Mr. Tawney wants to know is how much you reduced it this year. We do not have presidential campaigns every year. [Laughter.]

CARD INDEX.

Mr. BINGHAM. On page 201 is a provision for continuing the installation of the card index.

Mr. WARNER. Yes; "for continuing the installation of the card-index system of the records of the Pension Office, \$20,000."

Mr. BINGHAM. That is new?

Mr. WARNER. Yes, sir.

Mr. TAWNEY. When will you have that installation completed?

Mr. WARNER. It will take two or three years. I have over 100 clerks at work upon it. The books are wearing out, and we are card-indexing everything.

Mr. TAWNEY. Will this save the expense of rebinding books in the future?

Mr. WARNER. Yes.

Mr. TAWNEY. Is this for personal expenses or material?

Mr. WARNER. I understand it is for material.

Secretary GARFIELD. Is not this for getting the necessary cards and cases?

Mr. WARNER. I presume it is for the expense of cards and cases and everything connected with it, except clerk hire.

Mr. TAWNEY. None of it is for personal service?

Mr. WARNER. None whatever.

Mr. GILLETT. Does this diminish the force that you have? Have you not taken 100 men off their work and put them on this card index?

Mr. WARNER. Yes. All that force that is not at work on the adjudication of pension claims I have put on the card system.

Mr. BURLESON. How many clerks have you on that card system?

Mr. WARNER. About 100 clerks.

Mr. BURLESON. When will they finish it?

Mr. WARNER. In two or three years. There are several million cards to fix. They go back to the Revolutionary war, and include all the wars since then. Every man who served in the army has a record.

Mr. GILLETT. You do not go back to the cases that have been settled, do you?

Mr. WARNER. Oh, yes; everything.

Mr. TAWNEY. They make a complete record for the office in case the books should be destroyed.

Mr. WARNER. At present when you want to find one thing you have to take a book and find it among a whole lot of other things. Hereafter you can just go to the case and take out a card.

SPECIAL EXAMINERS (AGAIN).

Mr. BINGHAM. Instead of 100 special examiners, you make the number 80. Is that a temporary employment for the present?

Mr. WARNER. No, sir. That is the regular force of special examiners. That is a reduction of 20, from 100 to 80.

PATENT OFFICE.

Mr. BINGHAM. Now, the next is the Patent Office. Now, Mr. Secretary, we will take up the Patent Office.

Secretary GARFIELD. I will ask Mr. Moore, the Commissioner of Patents, to speak.

Mr. BINGHAM. Have you any statement to make to us, Mr. Moore?

Mr. MOORE. I will make this statement: Last Congress this committee allowed me 33 examiners and 32 clerks. You were very generous indeed, and it went through the House; but in the Senate they allowed us 33 examiners and cut out the clerks. We have been and are now very short of clerical help, and, although we managed to hold out to the present time, we are very much pressed. We transferred certain work to the Government Printing Office, such as shipping material, and so on, and thereby were enabled to release four or five clerks who were assigned to other duties to help out.

INCREASE OF FORCE.

Mr. BINGHAM. I understand from page 202 to page 204 of the book that you ask about \$60,000 of increase?

Mr. MOORE. Yes.

Mr. BINGHAM. Commence at page 203 and give us your reasons for the proposed changes.

ASSISTANT COMMISSIONER.

Mr. MOORE. In the first place, there comes a provision for an additional assistant commissioner, which I think is necessary, because the bureau has grown enormously in numbers and work. The commissioner and the present assistant commissioner are required to handle a great amount of judicial and ministerial work. We handled this last year 2,840 judicial matters. A great many of those cases go to the court of appeals of the District of Columbia, and it is almost impossible to perform all the executive duties of the office as well as the judicial part of it. It keeps us all working nights and all hours, and so I think some relief ought to be afforded to the office in that particular. We are working every night now.

With this increase of force of 33 examiners which we finally obtained, though we released 32 clerks in the Senate, we can not get along or make the speedy reduction in the work that is desired. We are pushing the classification of patents, both foreign and domestic, which will reduce this work enormously. If you could classify this work, it will reduce the number of examiners. As it is now, we are working night and day. We have reduced the current cases about 5,000. We expect to have it practically up to date by the 31st day of December, but that will be accomplished by working nights.

Our patents that have been handed out in past years have not been as good as those granted by Germany and other countries that belong to the International Patent Union. The nations of the world are establishing patent offices. This is a commercial age, and a very practical age. It was my good fortune to visit some of the foreign patent offices in the past summer. I was over there on official business, and incidentally I examined those offices very thoroughly. The German patents issued are very much better than ours. I stated that fact here last year, and last summer I verified it.

Mr. GILLET. Do you read German?

Mr. MOORE. Not very well.

Mr. GILLET. Then, how could you tell that the German patents are better than ours?

Mr. MOORE. They all speak English over there. Almost every official that you would meet speaks English, and several other languages besides.

Mr. LIVINGSTON. You denominate this man as first assistant?

Mr. MOORE. Yes.

Mr. LIVINGSTON. You do not say "second assistant" in the next place?

Mr. MOORE. That is not the custom, as I understand it.

Mr. LIVINGSTON. It would be less liable to be put out on a point of order if you should say "two assistants" and throw out that italicized language.

Mr. BURLESON. You would have to fix the compensation.

Mr. TAWNEY. It does not go into the printed bill in italicized language.

Mr. LIVINGSTON. No; but they sit there with a copy of the bill in their laps.

Mr. BINGHAM. How is your general work?

Mr. MOORE. It is in very good shape.

Mr. TAWNEY. How near current are you?

Mr. MOORE. By the 31st of December we shall be current. I told this committee last year that it would take a year to bring up that work in a proper manner. We are bringing it up to practically within thirty days, and then there will be from twelve to fifteen thousand cases on hand when the cases are current. We receive about 1,300 new applications in a week. We received 459 new applications the other day. That is the largest in the history of the office, and the work is growing constantly. There was an increase in September of this year over September of last year, although this was election year, a presidential year, when we generally fall off. It is almost always the case, and the times are not considered to be so good.

Mr. TAWNEY. The theories of inventors are being worked out, and applied in the channels of politics during that season. [Laughter.]

Mr. MOORE. We had in September, 1908, an increase in money receipts as against September, 1907, of \$911.58. In October we had \$7,036 increase over the same month of 1907.

Mr. GILLET. More?

Mr. MOORE. Yes; \$7,000 increase.

Mr. TAWNEY. Than in October, 1907?

Mr. MOORE. Yes, sir.

Mr. GILLET. How many did you have in the whole month? Have you got that?

Mr. MOORE. No.

Mr. GILLET. Never mind, then.

Mr. MOORE. In November we had 8,819 more than in 1907, and the application receipts are as large in proportion. They are very heavy. We can never tell, gentlemen, how heavy the work is going to be in the Patent Office.

Mr. TAWNEY. Is it not a fact, Mr. Moore, shown by your experience in the Patent Office, that during periods of commercial depression the inventive genius of the American is more active than in periods of prosperity?

Mr. MOORE. I know that is the theory, Mr. Chairman, but I do not think it is true. It has not happened in my observation. The table of receipts of applications and money published in my report of last year show quite the contrary. It shows a material falling off in the so-called "panic years."

Secretary GARFIELD. Will you state to the committee, Mr. Moore, what you mean by the words "practically current," and how long it will take an application, in case there is no unusual contest of any sort, to be acted upon by the Patent Office?

Mr. MOORE. Thirty days, as against six months or a year when I was here before.

Mr. GILLET. That is as short as you can expect it?

Mr. MOORE. Yes, sir.

Mr. BURLESON. That is as short as it is desirable to have it?

Mr. MOORE. Yes.

Mr. TAWNEY. Is that accomplished now by the examiners working nights?

Mr. MOORE. Yes; working overtime; and they are doing it voluntarily, Mr. Chairman.

Mr. GILLET. That will not be necessary after the 31st of December?

Mr. MOORE. They will have to keep this up. You see, we have 55 brand new men. We had to appoint them off the street. We could not get them by certification from the Civil Service Commission.

Mr. TAWNEY. Are you getting them now through the Civil Service Commission?

Mr. MOORE. Yes, sir; we are getting good men.

Mr. BINGHAM. The old complaint still exists, that your better men are being drawn away from you?

Mr. MOORE. Yes; that still exists. The board of examiners in chief, presidential appointees—it is a board of three members, and all three members have resigned since I became commissioner, a year and a half ago.

Mr. BINGHAM. What do they receive?

Mr. MOORE. Three thousand dollars per annum each.

Mr. BINGHAM. What do they claim to have had offered to them?

Mr. MOORE. One man who went out had his salary doubled at once.

Mr. LIVINGSTON. Don't you do yourself and the Secretary a great injustice when you say this condition of current work has been brought about by working overtime? Has not the improved administration of affairs there had anything to do with it?

Mr. MOORE. Oh, yes.

Mr. LIVINGSTON. You see, you have gone down on the record here as attributing it all to overtime work.

Mr. MOORE. I did not intend that. There are several things that enter into it other than stated. The reorganization under the direction of the Secretary, which resulted in placing the whole bureau in better shape; the additional room given us, and his request for more examiners and better salaries are some of the reasons for the present good condition of the Patent Office. Without his help and suggestions very little could have been accomplished.

Mr. BINGHAM. Give us your financial exhibit, if you have it in your report, in the sum total. What is the surplus?

Mr. MOORE. Two hundred and sixty-six thousand dollars.

Mr. BINGHAM. In other words, you claim to have made \$266,000 for the Government?

Mr. MOORE. That is the net excess of receipts over salaries and all conceivable expenses of the bureau.

EXAMINER OF CLASSIFICATION.

Mr. GILLET. On the middle of page 202 there is an examiner of classification. Why do you want that examiner of classification? Is that a new office?

Mr. MOORE. It is a new office. I think it is of the utmost importance to have those patents classified. We started it in a way, and it is not complete. We have about one-third classified now.

Mr. GILLET. Is this a new kind of work? Who has done it heretofore?

Mr. MOORE. We have had a classification there, in a way, but we have always had to withdraw the men and put them on examination work.

Mr. GILLETT. How long will it take you to do it?

Mr. MOORE. I think that work can be completed in about four years, and that is the reason why I ask for ten additional examiners.

Mr. BINGHAM. This compensation of \$3,600 would be the largest for any of your subordinate force?

Mr. MOORE. Yes, sir.

Mr. BINGHAM. Would this be a new man or a promotion?

Mr. MOORE. We would make it a promotion.

Mr. BINGHAM. It would not have to be confirmed by the Senate?

Mr. MOORE. No, sir.

Mr. BINGHAM. This would be in effect a civil-service selection?

Mr. MOORE. We would probably take a principal examiner. Very few men in the office would probably want that position. It is just like an expert in patents in court. The man selected must be familiar with all the arts, and he must be a man of legal knowledge and general ability.

Mr. BINGHAM. In other words, he is your supreme court?

Mr. MOORE. He is supreme in that branch of the work.

FOURTH ASSISTANT EXAMINERS.

Mr. BINGHAM. Then there are 110 fourth assistant examiners. You have increased that number by 10?

Mr. MOORE. Yes. I have cut that increase down to 10, the lowest possible notch. You remember last year I asked for 49 more examiners and you gave me 33. Now, this would be 43, taking the whole thing together, and considering the condition of the work now and this classification for which these men are intended, they will count for something at this time.

Mr. GILLETT. They would be under that examiner of classification?

Mr. MOORE. Yes, sir.

TRANSLATOR OF LANGUAGES.

Mr. BINGHAM. That translator of languages is entirely new, \$1,800?

Mr. MOORE. Yes. That is called for by the fact that almost all nations are establishing patent offices. Japan and China, and in fact almost all the nations of reasonable size on the face of the earth, have established patent offices, and they have gone into that quite largely, taking the cue from this country and Great Britain and Germany. They think that is what has made these countries such successes commercially.

Mr. BINGHAM. What do you do for a translator now?

Mr. MOORE. The translator we have now is not capable of translating eastern and other unusual languages. We shall have to get a translator from the Civil Service Commission for this special work.

Mr. BURLISON. Do you expect to find a man who can speak Japanese and Chinese and French and German and Italian who will accept that position at \$1,800?

Mr. BINGHAM. Can you not get a man as translator of languages at the same compensation of \$1,600?

Mr. MOORE. I do not think we could get him. We really want to use this man for special languages not understood by the present man who is now serving in the capacity of translator.

Mr. BINGHAM. You need an increase of force without regard to the proficiency of the man that you now have?

Mr. MOORE. Yes; that is it.

Mr. BINGHAM. Those additional clerks and your explanation thereon constitute your general proposition for the necessary increase?

Mr. MOORE. Yes. The clerks are working nights. You remember last year you gave me an additional number of 32 clerks, which was allowed by the House, but in the Senate they were stricken out, and we had only one additional clerk given us.

Mr. BINGHAM. What we gave you last year in this committee the law reduced, and now you ask this committee to make another effort for you?

Mr. MOORE. Yes, sir. It is a less number, though.

LABORERS EMPLOYED AS COPYISTS.

Mr. TAWNEY. Why do you ask that we omit this language?—

And during the fiscal year nineteen hundred and nine classified laborers now employed in the Patent Office may be appointed copyists at seven hundred and twenty dollars, but may not be further promoted unless they shall have passed the civil-service examination.

Mr. MOORE. That was in last year, was it not?

Mr. TAWNEY. That was for the fiscal year 1909. Don't you want to use those laborers as copyists in 1910?

Mr. MOORE. They have been classified and covered into the civil service.

MESSENGER.

Mr. TAWNEY. You want one more messenger, increasing the number from three to four?

Mr. MOORE. Yes, sir.

Mr. GILLETT. You are asking as to these 42 laborers practically what you asked last year.

Mr. COURTS. On page 207 you will see a note concerning that.

Mr. GILLETT. I see he wants to use that as a subclerical force.

Mr. MOORE. I did that for the reason that I cut down the expense by using those messenger boys. The examiners have to do their own messenger work in the 43 divisions. These boys could do all that and fold copies to be mailed and other duties.

Mr. GILLETT. That is what you mean by subclerical work?

Mr. MOORE. Yes.

Mr. GILLETT. It is not writing?

Mr. MOORE. No, sir.

PROFESSIONAL, SCIENTIFIC, AND LAW BOOKS.

Mr. BINGHAM. For scientific books, and so forth, you stand on current law, do you not?

Mr. MOORE. Yes.

Mr. BINGHAM. The next is purchase of law books. You need that?

Mr. MOORE. Yes.

FOR PRODUCING COPIES.

Mr. BINGHAM. In the next paragraph your recommendations are the same for the coming year as the current law. Why those changes in parentheses, which mean to us a crossing out, on page 204, in the paragraph for producing copies? Do you not desire that just in the verbiage that it is in now?

Mr. TAWNEY. Why do you recommend the dropping out of this language at the bottom of page 204, for producing copies of drawings of the weekly issues of patents.

Mr. GILLET. It is a sort of condensation.

Mr. MOORE. We have condensed that and brought it all in below there, as you will notice.

Secretary GARFIELD. It makes a simpler and better sentence by the wording that has been suggested.

BUREAU OF EDUCATION.

One word generally about this, Mr. Chairman. You will notice in the Bureau of Education I have requested more increases in proportion than in any of the other bureaus. I do this for the reason that I am very firmly of the belief that the work of the bureau justifies these additional appropriations for its work. We have been endeavoring not to go outside at all of the general law under which the bureau was organized and created, but under Doctor Brown we have done more work of the character intended by that law and better work than was ever done before in the history of the bureau. We are in closer touch with the educational commissioners of the States, the university presidents, with whom the law requires us to be in communication, and the superintendents of public instruction in the different States, and we are endeavoring to make this Bureau of Education what it ought to be, a central clearing house for educational information. It does not mean that one bit of work is being done in the nature of primary teaching, or actual teaching, or attempting to interfere in any way with the school systems of the States; but we are doing what we can do, and what the leaders of education in the different States, from the universities down to the schools, are desiring should be done, and I am very anxious that the committee will take hold of this question of the Bureau of Education and give it such consideration as the importance of the subject warrants.

We have not heretofore done what the organic act creating the Bureau of Education requires, and I am confident that if you grant the increases asked for here we can be of tremendous assistance to the educational work in the country. I have been in personal communication with the representatives of education in the States. Doctor Brown and I met them and discussed in great detail the kinds of work that can be done.

We have cut out the unnecessary bits of work in the way of collecting unnecessary books in the library, and we have made it the greatest educational library of reference that I know of. We have cleared out all the trash in the material that was there and put it on a basis where the educators of the country who come here find it of

great value; every step taken was after conference with Mr. Putnam, of the Congressional Library.

Mr. BINGHAM. We all understand everything you state to us. Can we start that work without the new building and the additional expense incident to equipping the new building?

Secretary GARFIELD. You can not even carry on the work that we have there now in the present building, either with safety to what the Government now has in the way of plant or with fairness to the men and women who are called upon to do the work, and whether this additional provision for the work itself is given or not, there ought to be given a fit place for the men and women to work in.

Mr. BINGHAM. You regard the building as just as necessary as your proposed extension of the work?

Secretary GARFIELD. I do. I have given a good deal of careful consideration to this subject with Doctor Brown, and I can not urge too strongly on the committee the need of taking this step, which I think to be an essential one, if the bureau is really to be made a thing of activity and life. If we are not going to do that, it would be far better to simply say so, and wipe the bureau out of existence. It will be frittering away public money to conduct the bureau in a way which does not meet the needs that the Federal Government is called upon to supply, and there is not the slightest conflict or interference with the work or the rights of the States in educational matters. I will be very glad if the committee will hear Doctor Brown on the details of what he expects to do with these proposed increases of appropriation. I very greatly regret, because of the general policy of not making recommendations for increases in salaries, that I could not include here a recommendation for the increase of the salary of the head of this bureau, because it is not at all commensurate with the character of the work performed or the obligations that are placed upon his shoulders. I shall be exceedingly gratified if the committee should take the view that these changes should be made along the lines that I have indicated.

EXPERT IN THE WELFARE OF CHILDREN.

Mr. TAWNEY. Now, Mr. Secretary, there is one recommendation here, among others, "expert in the welfare of children, \$3,000." Your note in explanation of that reads:

This appointment is proposed with a view to increasing the efficiency of the bureau in dealing with a wide range of questions which affect the attendance of pupils at school and their physical ability to do the ordinary work of the school.

I would like to ask you whether you do not think that approaches dangerously near the line of encroachment upon the rights not only of the States, but of the municipalities, in dealing with the very same questions which these States and municipalities are dealing with, in relation to the attendance of pupils at school and their physical ability to do the ordinary work of the school?

Secretary GARFIELD. I think not.

Mr. TAWNEY. Where do we perform any federal function in looking after the attendance of pupils at school and their physical ability to attend school?

Secretary GARFIELD. I think the language should have been more happily chosen. It is not intended that the Federal Government

should attempt to interfere in any way or provide regulations, but by a careful study of what has been done in the different States and foreign countries on these questions we would be able to publish bulletins on that subject that would be of the greatest help to the local authorities in enforcing what they determine to be the proper and wise regulations. It is not for the purpose of doing those things, but of furnishing information to those who would be charged with the duty.

Mr. TAWNEY. Is it not generally known to teachers and superintendents and to the parents that children attend or do not attend school regularly according as their parents require them to attend, or according to their ability to provide for their welfare, or as their condition requiring the children's service is concerned? You have to get right down to the fact that either it is due to the indifference of the parents as to the education of their child or the necessity of the parents' utilizing the service of the child in providing for his welfare. Is not that fact known generally?

Secretary GARFIELD. I think that is one of the facts, but not all of them.

Mr. GILLET. It is just to find out?

Secretary GARFIELD. We want to know what these facts are. In one section of the country we find conditions very different from those in another section, and in those sections of the country where the advantages are less we can give them information as to how those advantages could be improved.

Mr. LIVINGSTON. You will find a very different condition, Mr. Secretary, when you come to pass that question into a city from what it will be in a rural community. The same regulations would not apply at all.

Secretary GARFIELD. No; it would be different.

Mr. TAWNEY. The other case is intended to be met by the commission on country life. [Laughter.]

Mr. LIVINGSTON. My opinion is that that commission is doing more work in the cities than they are on the farms. [Laughter.]

Secretary GARFIELD. They have to go through the cities, I suppose, in order to get to the farms. [Laughter.]

EXPERT IN HIGHER EDUCATION, \$4,000.

Mr. BINGHAM. On page 206, please commence there in line 3, "expert in higher education, \$4,000," and give us your view of the necessity for this line of work.

Mr. BROWN. That is for an expert in higher education, intended to enable us to answer a great variety of inquiries that come to us from the higher educational institutions of the country, and also inquiries that come from foreign countries. We have had, for instance, of late, inquiries from China that have come to us through our consular representatives in that country, asking for information as to opportunities for Chinese students in this country. We have handled that as best we can, and prepared a bulletin giving information; but we have not been able to handle questions of that sort effectively without having some one in the office who makes that his particular business.

EXPERT IN INDUSTRIAL EDUCATION, \$3,000.

As to the next item, the expert in industrial education is needed because of the very great extension of industrial education of late.

Mr. BINGHAM. Are not cities and municipalities going to a very large extent into expenditures for providing facilities, and so forth, for industrial education? They are in my city, I know, and that is the reason I am asking the question.

Mr. BROWN. Yes; Philadelphia is very far advanced in that respect. It is one of the pioneers of the country, and that movement, of course, is spreading to other parts of the country.

Mr. BINGHAM. Now go to the next item.

EXPERT IN THE WELFARE OF CHILDREN (AGAIN).

Mr. BROWN. Those questions can best be answered after we have had some expert inquiry. We are expected to help the school authorities of the different States and the different municipalities in dealing with exactly such questions as those that have been spoken of.

Mr. BINGHAM. Does that include medical and physical examinations?

Mr. BROWN. Partly, and partly social.

EDITOR.

Mr. BINGHAM. Give us your idea of the necessity of an editor at \$2,000.

Mr. BROWN. We shall need an editor to put into print what we shall prepare. We want to scrutinize everything that shall go through the office in that way, and we require some one more expert than any we have in the office at the present time.

Mr. BINGHAM. Is that something like the bulletins of the Agricultural Department or the bulletins of the Bureau of Manufactures in the Department of Commerce and Labor?

Mr. BROWN. They may be compared with that.

Mr. BINGHAM. How frequent are your operations?

Mr. BROWN. We are getting out now about one bulletin in two months. We expect to increase that.

Mr. GILLETT. How do you expect to get your materials?

Mr. BROWN. Part of that material is prepared in the office with our present office force, but most of it is prepared on the outside.

Mr. GILLETT. Do you pay them?

Mr. BROWN. We pay them out of the appropriation for the collection of statistics.

Mr. GILLETT. Then it really gives you a fund with which to buy essays?

Mr. BROWN. We have a small fund which can be used for the preparation of bulletins.

Mr. GILLETT. Now, how about the clerks?

INCREASE OF CLERICAL FORCE.

Mr. BINGHAM. From seven to nine clerks of class 1, and so forth. Are those increases predicated upon the committee's approval of the other proposition in the first part?

Mr. BROWN. Only in part. We need more clerks to-day in order to handle the work of the statistical division and the work of the library.

Mr. BINGHAM. Work that you are doing under current law?

Mr. BROWN. That we are doing under current law. At the present time we have several people from the Department of the Interior who are helping us to get out the annual report on time.

COLLECTION OF STATISTICS AND FACTS.

Mr. BINGHAM. Now, on page 207 is an item that is entirely new. That presupposes acceptance of these four specialists?

Mr. BROWN. No, sir; this is entirely independent.

Mr. BINGHAM. This is in connection with existing educational conditions in connection with your office as it now is?

Mr. BROWN. Yes.

Mr. BINGHAM. Give us some reasons for that.

Mr. BROWN. The same general reasons that have been given apply to this. We need a fund by which we can make the special inquiries that are called for by the special educational needs that come up from time to time. We need it in connection with our industrial work, even if we have our industrial specialist—our specialist in industrial education. We need a fund with which to employ specialists in addition to the organization in Washington.

Mr. GILLET. Do not the different States publish educational reports that contain these facts?

Mr. BROWN. Yes; to a limited extent. Of course Massachusetts has gone further than the other States in that direction. No State has taken more interest in those matters than Massachusetts has, and there are no state reports that are more full of information than those of the State of Massachusetts.

Mr. GILLET. I was wondering why, if the person wanted those facts, he could not get them just as well by looking at the reports of the States.

Mr. BROWN. Do you know of any State that has made as much progress in the investigation of industrial education as the State of Massachusetts?

Mr. GILLET. I supposed all the States had made good progress in the management of schools and in the development of school systems and methods of teaching.

Mr. BROWN. What is included in this language here is taken directly from the organic act.

Mr. BINGHAM. This is the verbiage of the law?

Mr. BROWN. Yes. This is intended to give us a larger fund for carrying on this work of collecting the same kind of information. I have the testimony of state educational officers all over the country to the effect that they need very greatly just this kind of help; that, after all, they need work of this kind which can be done just as well, once for all, for the whole country as it can be done over and over from 40 to 50 times in so many different offices.

Mr. GILLET. You do not mean these could take the place of the state reports?

Mr. BROWN. No, sir. This would be additional to what they are doing at the present time.

COLLECTING STATISTICS FOR SPECIAL REPORTS.

Mr. BINGHAM. What fund do you do this from now?

Mr. BROWN. We are doing it from the fund for the collection of statistics, which amounts to \$4,000 this year.

Mr. BINGHAM. You can spend that under the verbiage of this statute?

Mr. BROWN. That is so understood; yes, sir.

INCREASE OF THE LIBRARY.

Mr. GILLETT. He wants an increase for the library from \$500 to \$2,000.

Mr. BROWN. We have a library of nearly 150,000 volumes, and it is impossible to keep that up properly on so small a sum.

Mr. GILLETT. Why do you need that when you have such easy access to the Congressional Library?

Mr. BROWN. That is for the special work of an educational office.

Mr. TAWNEY. What proportion of your library, Doctor, consists of public documents?

Mr. BROWN. There are very few public documents of the United States left in the collection. A large proportion of the collection, perhaps one-half, is made up of documents relating to education, documents of States, municipalities, and institutions.

Mr. TAWNEY. Have you a collection there of foreign public documents?

Mr. BROWN. We have a large collection of foreign public documents relating to education.

Mr. TAWNEY. In the work of your bureau do you have to refer so frequently to foreign public documents that you could not obtain what you need from the Congressional Library, where those documents are also kept?

Mr. BROWN. Comparatively few of these educational documents are to be found in the Library of Congress. We are avoiding, very carefully, a duplication of pieces that are in that library. Within the past year we have bought very few volumes that are in the Library of Congress. One of the first inquiries to be made when a new purchase is proposed is the inquiry whether that volume is to be found in the Library of Congress, so that it is only an extremely small percentage of the books in the library of the bureau that are also in the Library of Congress.

COLLECTING STATISTICS FOR SPECIAL REPORTS (AGAIN).

Mr. GILLETT. For collecting statistics for special reports and circulars of information you ask for \$12,000 instead of \$4,000.

Mr. BROWN. That is for the extension of the work we are doing at the present time.

Mr. GILLETT. That is not covered by this other item of \$40,000?

Mr. BROWN. No, sir. That will be needed, whether the \$40,000 is given or not.

Mr. TAWNEY. This is a very large increase here—an increase of \$8,000 for collecting statistics. What is the occasion for that?

Mr. BROWN. This is the same increase as was asked for last year, Mr. Chairman. The reason for it is that that kind of service is proving to be a valuable service. It has been received with great favor.

Mr. TAWNEY. I assume that that is so, but for 1907 you had \$2,500, running back at the same rate for a number of years, but for 1908 you asked \$4,000, and you never had more than \$2,500 up until 1908 for that service. Now, has that service increased at that ratio from \$2,500 to \$12,000?

Mr. BROWN. Mr. Chairman, the matter presents itself in this way: The Bureau of Education has got very far behind. There has been practically no increase in its resources for its general work for over ten years, and the appropriations for general purposes are less today than they were ten years ago, whereas in that time the needs of the country that the bureau is supposed to serve have been going forward very rapidly. What I have asked for here is not simply an increase of a small percentage over the present appropriation, but something that would enable us to catch up with the reasonable demands made upon this office. In 1881 and 1882 the appropriation for collecting statistics was \$15,000 a year. From 1872 to 1880 it ranged from \$7,000 to \$13,000 a year.

Mr. TAWNEY. Now, then, Doctor, what is the character of these statistics that are collected?

Mr. BROWN. That is work of a wide variety. That is done through—

Mr. TAWNEY. The reason of my inquiry is that in proportion to the appropriations made to other statistical bureaus of the Government, where the statistical work covers a very wide field, this increase is rather larger than other bureaus of like character are asking for. That is the reason for my inquiry.

Mr. BROWN. The statistical work of the kind that is embodied in the annual report of the office we are not planning to expand. We are planning rather to increase the collection of such information as we put out in our bulletins, which in part is statistical, in the narrower sense, and in part closely related to such statistics. It has always a statistical side. I have here, for instance, one of these bulletins, which I am glad to submit for your inspection.

Mr. TAWNEY. Has this appropriation been expended for services in collecting statistics for these bulletins and also for the subject-matter of the bulletins?

Mr. BROWN. Largely.

Mr. TAWNEY. It has not been limited to statistics, then?

Mr. BROWN. It has not been limited to matter that takes the form of tables of figures.

Secretary GARFIELD. It is information that is of value to the educational world. Sometimes it is presented in the form of statistics, and sometimes it is presented in the form of a thesis that is published in a bulletin. It is information rather than statistics.

Mr. GILLET. It is information that the author finds no purchaser for elsewhere? [Laughter.]

Mr. LIVINGSTON. That is misleading, and it ought to be changed. If it is statistics, say so; and if it is information, it should be so stated. When we come to the House it would be hard to explain, as suggested by the chairman, why you want so much of an increase for statistics.

Mr. TAWNEY. This is for the collection of statistics for special work. It implies that some other appropriation pays for making the reports and circulars.

Mr. GILLET. It says "statistics for special reports and circulars," instead of "statistics and special reports."

Mr. BROWN. I can answer certain questions by showing what sort of information it is. [Submits bulletin.]

Mr. GILLET. You could change that word "for" to "and."

Mr. TAWNEY. Here is a kind of document entitled "The Apprentice System in its Relation to Education." This is the kind of document that is gotten up and paid for out of the appropriation?

Mr. BROWN. Yes; that is the kind.

Mr. GILLET. How much do you pay for such a paper as that?

Mr. BROWN. From \$100 to \$500.

Mr. TAWNEY. For printing?

Mr. GILLET. No; to the author.

Mr. BROWN. It is fair to say, in answer to the question Mr. Gillett asked, that most of this work is done on the initiative of the office. It is not taking material that is offered, although that has been done in certain cases where good material has been offered.

PRINTING.

Mr. BINGHAM. Mr. Secretary, under the sundry civil bill an allowance to the Public Printer is assigned to your department. What is your allotment? Is it between \$300,000 and \$400,000?

Secretary GARFIELD. It is \$254,000 for the general printing, \$525,000 for the Patent Office, and \$175,000 for the Geological Survey.

Mr. BINGHAM. How much for this office?

Secretary GARFIELD. Out of the \$254,000 for the general printing an allotment is made of \$50,000.

Mr. BINGHAM. That is what these publications are printed from?

Secretary GARFIELD. Yes.

RENT OF BUILDING.

Mr. BINGHAM. The next item is rent of building for the bureau, on page 209. You might as well take up all the items in that series. The total is \$39,000.

Secretary GARFIELD. I will ask Doctor Brown to explain the details upon which his estimate of \$39,000 is made.

Mr. BROWN. I wish to say that the collections we have there and the records are in danger every day of loss by fire.

Mr. TAWNEY. Have you selected a building which you intend to rent?

Mr. BROWN. No, sir.

Mr. TAWNEY. How do you arrive at the amount?

Mr. BROWN. We have approximately 12,000 square feet where we are. We need, at the lowest estimate, at least twice that amount, which would be 24,000 square feet. It is doubtful whether we can get that at a less rate than \$1 per foot per year. It may cost us as high as \$1.25 to \$1.30 a year.

Mr. TAWNEY. What rate are we paying for other buildings? Have you made any inquiry as to that?

Mr. BROWN. I made inquiry at the Forestry Bureau, and I made other inquiries on my own account, and I believed there might be a possibility of getting it for \$1. If not, we shall have to cut down the space, to come within \$24,000.

FIREPROOF METAL SHELVING.

Mr. TAWNEY. Have you had an estimate on the fireproof metal shelving?

Mr. BROWN. This estimate is based on the cost of metal shelving provided for the Geological Survey.

Mr. GILLET. Where is your building now?

Mr. BROWN. It is on the northeast corner of Eighth and G streets. It is a building so badly constructed that on the advice of the Supervising Architect of the Treasury we have limited the placing of book shelves in the building, so as to avoid pulling it down. It is unhygienic. It was reported upon unfavorably by the board of health as regards its plumbing. We have had people lose time there by illness which I believe was caused entirely by the condition of the building, and, under the circumstances, I believe it is the greatest sort of waste to go on as we have been doing heretofore. I thought these facts should be made clear to this committee.

Mr. BINGHAM. If you had a library of this character of your own would you put it in a fireproof building?

Mr. BROWN. I should.

Mr. BINGHAM. It could not be replaced easily?

Mr. BROWN. In general, it is not made up of ordinary books. Some of the most valuable material there cost us nothing. It is made up of a series of public educational reports, but these could not now be replaced. We have, in fact, inquiries from time to time from the offices that issued these reports asking for assistance in completing their own files.

CONTINGENT EXPENSES—DEPARTMENT OF THE INTERIOR.

Mr. TAWNEY. Mr. Secretary, I suppose the next item on page 211 comes under you—typewriting machines, and exchange of the same?

Mr. BINGHAM. That is under contingent expenses, Mr. Secretary.

Secretary GARFIELD. The purpose of that is to permit us to exchange an old machine for a new one. We have not that authority now. It has been given to other departments, but not to us.

STATIONERY, WRAPPERS, ETC.

Mr. TAWNEY. The next is to strike out the word "file" in the next paragraph, on page 211.

Secretary GARFIELD. I do not know what it means. It does not add anything to it.

Mr. TAWNEY. I suppose it means wrappers for files.

Secretary GARFIELD. We do not wrap any more files, but we do need wrapping paper and things of that sort.

Mr. BINGHAM. Why the increase of \$8,000 there? Has stationery so gone up?

Secretary GARFIELD. I am sorry to say it has.

Mr. BINGHAM. You have been running for some years on that basis, except in 1905 you came in with a deficiency of \$9,000. Yet you have been running substantially on that since 1902. Have you anything to say there beyond the note?

Secretary GARFIELD. Yes. The increase of \$8,000 is asked for this reason: During the fiscal year ending June 30, 1908, the cost of our stationery was \$66,282.49. We had on hand at the beginning of the year a balance that made it possible to take care of that amount, although the appropriation was only \$60,000. There has been an increase in the cost of stationery, a very material increase. My impression is that it is $17\frac{1}{2}$ per cent in the cost of paper alone, and it is for that reason that the increase of \$8,000 is asked for, to meet what will be the real necessary expenses for the next year.

Mr. BINGHAM. In other words, if paper continues at a 17 per cent increase in cost, you must meet it?

Secretary GARFIELD. Yes. I may be mistaken as to the per cent, but it is a heavy per cent of increase.

CUSTODY OF PATENT MODELS.

Mr. BINGHAM. The rent of buildings remains the same on page 212 and page 213.

Secretary GARFIELD. Under the provision of the law for a change of the method of taking care of patent models we have abandoned the Union Building, and all the models have been either transferred to the National Museum—such portion as is now ready for occupancy—or the balance have been boxed, awaiting the completion of the new National Museum, and we have saved \$6,799.20 out of the appropriation, which will be transferred to the Treasury, and we will save in the future the entire cost of maintaining the models in the Union Building.

Mr. BINGHAM. What parts of these models were either sold or destroyed?

Secretary GARFIELD. I will submit to the committee the report of the committee which was appointed under this act.

Mr. TAWNEY. Will you send that up here?

Secretary GARFIELD. Yes; I will send it up to you.

SECRETARY'S OFFICE,
DEPARTMENT OF THE INTERIOR,
Washington, D. C., December 5, 1908.

DEAR MR. TAWNEY: In connection with the hearing yesterday, I inclose herewith for your information a letter from Mr. Moore, Commissioner of Patents, regarding the disposition of the patent models.

Very truly, yours,

JAMES RUDOLPH GARFIELD,
Secretary.

HON. JAMES A. TAWNEY,
House of Representatives, Washington, D. C.

DEPARTMENT OF THE INTERIOR,
UNITED STATES PATENT OFFICE,
Washington, D. C., December 5, 1908.

SECRETARY OF THE INTERIOR.

SIR: The act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1909, Public No. 130, embraced the following provision:

"For rent of rooms in the Union Building for Patent Office model exhibit during so much of the fiscal year nineteen hundred and nine as may be necessary,

and for necessary expenses of removal and storage of said exhibit, nineteen thousand five hundred dollars: *Provided*, That a commission, which is hereby created, to consist of the Secretary of the Interior, the Commissioner of Patents, and the Secretary of the Smithsonian Institution, shall determine which of the models of the Patent Office may be of possible benefit to patentees or of historical value, such models thus selected to be cared for in the new National Museum building. The remainder of said models shall before January first, nineteen hundred and nine, be disposed of by sale, gift, or otherwise, as the Commissioner of Patents, with the approval of the Secretary of the Interior, shall determine."

In pursuance of this provision the commission named therein organized on the 29th day of May, 1908, one week after the approval of the legislative act, and steps were immediately taken to meet the requirements of the act. The Commissioner of Patents was authorized by said commission to see to the details of the disposition of these models. Acting under this authorization, I appointed on June 3 a committee consisting of Assistant Commissioner Billings, Chief Clerk Woolard, Examiners Sewell and Skinner, Chief of Division Pope, and Machinist Gill. The machinist, Mr. Gill, who has had charge of the model records for many years, was instructed to assist this committee in every possible way. Subsequently several meetings of this committee were held, looking to the speedy removal of all the models from the Union Building and the disposing of the same as far as possible to comply with the provisions of the act above quoted.

In June I requested the officials of the National Museum to make such selections from this collection of models as were of historical value, or such as would be deemed interesting for exhibition purposes. In view of this communication the Smithsonian Institution selected 1,061 models, and these were immediately removed from the collection. There were also sold by public auction 3,000 unapplied models and the proceeds of the sale covered into the Treasury. The remaining models, 155,939 in number, were retained.

Proposals for bids for supplying boxes were invited and contract was awarded to the J. H. Duker Box Company, of Baltimore, Md., August 27, 1908, for furnishing the necessary boxes. A contract was also entered into with the Merchants' Transfer and Storage Company, of Washington, D. C., for packing and hauling the models and placing them in the Patent Office part of the Department of the Interior building. Temporary employees were obtained from the United States Civil Service Commission to label and catalogue the models before packing. The work of packing, labeling, and hauling the models was proceeded with expeditiously, and by October 31, 1908, the three floors of the Union Building were vacated and turned over to the company owning the same and all rental ceased. The appropriation for the annual rental for these three floors was \$19,500, out of which all expenses involved in the removal of this great number of models had to be paid.

The following is a statement of all expenses incurred in the present disposition of these models:

Rent of Union Building, July 1–October 31.....	\$6,500.00
2,483 packing boxes.....	2,716.12
Packing and moving models.....	1,447.56
Temporary employees.....	637.25
Hardware.....	28.40
Packing material.....	290.14

11, 617.47

Deduct the expense of moving from the total rent and a balance is left of \$7,882.53. There has been received from the sale of model cases for which there was no further use, \$2,598.99; and from the sale of 3,000 unapplied models, \$62.18; total \$2,661.17; which, added to \$7,882.53, makes a total of \$10,543.70.

I desire to state, however, that a bill has been rendered by the owners of the Union Building for rent for the month of November for two floors at \$541.66½ each, making for the two floors a rental of \$1,083.33, on the ground that the office is not entirely out of the building, and therefore they allege under the agreement with the department that unless the floors are entirely surrendered at the beginning of that month the rent for that month would attach. This claim on the part of the company, however, has not yet been allowed, but if allowed the balance of rent of \$19,500, after deducting all expenses, would be \$6,799.20.

The models retained were deemed by the 42 principal examiners of the office, as well as by the committee in charge, to be of the greatest value and aid to them in their searches. These records always have been and still are very valuable as evidence in litigation in the courts involving patents, and as a result of this evidence large sums of money have been saved to the Government and to individuals.

It is found impossible to carry out the full provisions of that part of the act relating to the final disposition of the models that were of possible benefit to patentees or of historical value, which it was directed should be cared for in the new National Museum building, as this building was not completed at the date of the passage of the act in May, nor will it be sufficiently completed, as I am informed, to receive these models before July, 1909. The only thing that could be done, therefore, in order to carry out the other provisions of the act, which required the models to be moved before January, 1909, no money having been appropriated for the rental of a cheaper building to house them, was to place them in the so-called Patent Office building until the new National Museum building should be finished. This move has saved all rent, as before indicated.

In five months from the date of the passage of the act the Union Building was vacated and the whole business connected with the models disposed of, with the exception of the hauling of the models to the new National Museum building when the same shall have been completed, and the expense of the same, which will not be very great and will be paid out of the unexpended balance.

Respectfully submitted.

EDWARD B. MOORE,

Commissioner of Patents and Member of the Commission.

SURVEYORS-GENERAL.

LOUISIANA.

Mr. COURTS. Page 218, at the top, is the place where you omit the Louisiana matter from the surveyors-general paragraph.

Mr. BINGHAM. On page 218, Mr. Secretary, you will notice the surveyor-general of Louisiana in brackets.

Mr. DENNETT. We expect to discontinue the office of surveyor-general of Louisiana next year. The work has decreased there. It is mostly in transcribing the old records for the persons who desire transcripts. We will turn the records over to the State.

Mr. BINGHAM. That you have done with other surveyors-general that have been abolished?

Mr. DENNETT. Yes.

Mr. LIVINGSTON. Is that the only change?

EXEMPLIFIED COPIES OF PLATS AND OTHER RECORDS.

Mr. DENNETT. That is virtually the only change, except that we ask for a provision of law here on page 224.

Mr. LIVINGSTON. What is the purpose of that?

Mr. DENNETT. If you will remember, last year we made a regulation to the effect that fees received for the purpose of exemplified copies of plats and other records should not be taken by the clerk or the surveyor-general, but should be handed into the Treasury. It is impossible to say what demand may be made upon the clerks for records. They do this work during the daytime to the exclusion of their other work. Here is a statement showing how much was done in the last year and what was received during the first three months of this fiscal year, which shows that this is a variable sum, sometimes greater and sometimes less.

Mr. TAWNEY. What does the statement show the aggregate to be?

Mr. DENNETT. Last year it was \$5,289.66. This year it is \$2,359.65 for the first six months. The best business method would be to use

that for the purpose of transcribing these plats; that is to say, to authorize the surveyor-general, if he has an additional amount of work that is more than he can do by his clerks, to use this money by hiring help to do it. This work is now done during the daytime to the exclusion of the regular work of the office, and very often the surveyor-general may fall behind.

SURVEYOR-GENERAL OF NEVADA.

There is one other point, gentlemen, to which I would like to call your attention. Under the ruling of the department we have not made any recommendation for increases of salary. You will notice the surveyor-general of Nevada is sent up at the same salary as last year. There is no reason in the world why the surveyor-general of Nevada should not receive the same salary as other surveyors-general. He does more work than some others who are now receiving a greater amount of money. To make him whole we allowed him to take fees, as under the old provision preceding. Last year they had a great deal of mineral work.

Mr. TAWNEY. What is the statutory salary of the surveyor-general?

Mr. DENNETT. It is less than the other surveyors-general.

Mr. COURTS. It is \$2,500.

Mr. TAWNEY. None of these is above the statutory salary?

Mr. DENNETT. Oh, no.

Mr. COURTS. Some of them get \$3,000 and some get \$2,000.

Mr. DENNETT. The surveyor-general of Nevada gets less.

Mr. BINGHAM. Some get \$2,000.

Mr. TAWNEY. If he does not get the statutory salary, it is because the Representative of Nevada was not attending to his duties as zealously as all the others were.

Mr. BINGHAM. Do the others receive the statutory allowance?

Mr. DENNETT. I understand so.

Mr. TAWNEY. They were put in in the Senate, and the House agreed to the Senate amendments.

Mr. DENNETT. I would like to leave with the committee this tabular statement of the receipts and proofs, and so forth, during the last fiscal year, if you desire.

SECRETARY'S OFFICE,
DEPARTMENT OF THE INTERIOR,
Washington, D. C., December 7, 1908.

MY DEAR GENERAL BINGHAM: By some mistake the estimates of Mr. Dennett, the Commissioner of the General Land Office, for additional force in some of the land offices were omitted, it being supposed by my office that they covered increases of salary, and as you know we cut out all such increases, but intended to leave in any proper additions to the force of any office that was shown to be necessary. I inclose a letter from Mr. Dennett which gives the increase of force he asked for in five States—Arizona, Colorado, Idaho, Montana, and Nevada. I very much hope that the committee will grant this increase, as it is extremely important that we give to the local land offices the employees necessary to take care of their work.

I regret that this error occurred.

Very sincerely, yours,

JAMES RUDOLPH GARFIELD,
Secretary.

HON. HENRY H. BINGHAM,
Committee on Appropriations,
House of Representatives,
Washington, D. C.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., December 5, 1908.

SECRETARY OF THE INTERIOR.

SIR: Referring to our interview relative to salaries of employees in offices of surveyors-general for the fiscal year ending June 30, 1910, I have to recommend that the estimates for the following offices be restored to the amounts originally submitted by this office, with the information that the amounts were determined after very careful consideration as essential to the service, and provide for additional clerical assistance and not for any increase in the salaries of present employees. The estimates of the respective surveyors-general were given due consideration, but the action of this office was based on what was considered as actually necessary for the service.

Office.	Current appropriation.	Required for fiscal year 1910.	Increase.
Arizona.....	\$8,000	\$9,000	\$1,000
Colorado.....	17,225	21,425	4,200
Idaho.....	11,780	10,500	1,280
Montana.....	13,000	15,000	2,000
Nevada.....	5,400	5,800	400

The increase recommended in the appropriation for the office of the surveyor-general of Nevada is required because the current appropriation is not sufficient to pay the salary of a competent transcribing clerk at \$1,200. The current appropriation will provide for the salary of chief clerk at \$1,800, and two draftsmen at \$1,400 each (\$2,800), aggregating \$4,600, leaving a balance of but \$800 available for the services of a transcribing clerk.

Very respectfully,

FRED DENNETT, *Commissioner.*

Mr. TAWNEY. Yes; all right.

Mr. BINGHAM. Mr. Secretary, have you any other statement you desire to submit to the committee?

RENT OF BUILDINGS FOR THE DEPARTMENT OF THE INTERIOR.

Secretary GARFIELD. We passed the rents for the other buildings of the Interior Department without my noticing it. The Geological Survey has submitted a request for additional rent, \$2,500. Has that been sent from the Treasury yet, Mr. Courts?

Mr. COURTS. No, sir.

Secretary GARFIELD. On November 20 I forwarded a supplemental estimate.

Mr. COURTS. I presume it was too late to get into the estimates, unless it was submitted under the sundry civil estimates.

Secretary GARFIELD. It usually goes in right here. It is \$2,500. On November 23 they transmitted to me, which I forwarded, an application for additional rent for the rooms used in the engraving and printing division of the Geological Survey. I forwarded that to the Treasury on the 23d of November. That should appear in the bill, but it is not here. I forwarded that, together with a letter from Mr. Smith, making it \$2,500 additional to what is in there now.

Then, on December 3, I transmitted to the Secretary of the Treasury a request from the Civil Service Commission for what they ask in the way of their building, and theirs is an increase from \$4,500 to

\$10,000, and they give in full what the building is that they ask for, and their reasons for it.

Mr. BINGHAM. There is nothing of that kind in the bill.

Secretary GARFIELD. They did not have the material until yesterday. That has been forwarded to the Treasury, and it will no doubt be here shortly. I know from the difficulty I have been having in finding space for them in holding their examinations that they are in need of that. They have been having difficulty with the building, as you probably know from previous experience.

Mr. GILLETT. Do they want to go into a new building?

Secretary GARFIELD. Yes sir. For contingent expenses they ask that the amount be increased from \$6,500 to \$8,000.

Mr. GILLETT. Do they want to improve themselves?

Secretary GARFIELD. Yes; they want to improve themselves.

SATURDAY, DECEMBER 5, 1908.

DEPARTMENT OF STATE.

STATEMENT OF HONORABLE ELIHU ROOT, SECRETARY,
ACCOMPANIED BY MR. W. J. CARR, CHIEF CLERK.

ASSISTANT SOLICITORS.

Mr. BINGHAM. "Two assistant solicitors of the Department of State, to be appointed by the Secretary of State." Why is that new language inserted?

Secretary Root. I do not know why that language is in italics.

Mr. BINGHAM. That is because it is an amendment to the law.

Mr. TAWNEY. It went out on a point of order at the last session.

Secretary Root. They are appointed by me now and drawing their pay.

Mr. BINGHAM. Have you any reason to ask for that change?

Secretary Root. Putting in the words "to be appointed by the Secretary of State?" That is the way they ought to be appointed.

Mr. BINGHAM. Who are the solicitors?

Secretary Root. Mr. Dennis and Mr. Clark.

Mr. BINGHAM. How long have they been there?

Secretary Root. Mr. Dennis has been there about three years and Mr. Clark not quite so long.

Mr. BINGHAM. Did they come through the civil service?

Secretary Root. No, sir.

Mr. BINGHAM. You propose to continue them?

Secretary Root. Yes, sir.

Mr. BINGHAM. Why the necessity of this language?

Secretary Root. There will be solicitors to be appointed hereafter.

Mr. BINGHAM. You do not need this language in the bill?

Secretary Root. It is of no consequence, so far as we are concerned.

LAW CLERK AND ASSISTANT.

Mr. BINGHAM. The same thing occurs in regard to the law clerk and assistant?

Secretary Root. As to both of those employees, they are appointed this way now. Mr. Carr tells me that the Civil Service Commission

has ruled that the law clerk and assistant must be selected through it. You will remember the law clerk was originally a lawyer, employed under a contract provided for specially by Congress.

Mr. GILLET. How long ago was that?

Secretary Root. Before my time. You provided for the making of a contract with Mr. Dubois for the editing and printing of the statutes. He was called the law clerk, and as the State Department is the depository of the laws he came over there to do his work. Some years ago that was changed and Mr. Dubois was put on a salary basis, and then, as the work increased, an assistant was given to him. He is at work now, the same gentleman who was originally employed by Congress. I should hardly think it was the sort of an appointment to come through the civil service. You want to get a careful lawyer. I would not go to the Civil Service Commission to employ a lawyer.

CLERICAL SERVICES.

Mr. BINGHAM. On the next page you are asking for some increases in your clerical force, amounting to about \$16,000?

Mr. TAWNEY. Thirteen increases in all.

Secretary Root. I think those are the only increases we are asking this year, and that is to provide for the continually increasing business of the department.

Mr. GILLET. That is a pretty big increase, an increase of 13?

Secretary Root. Yes, sir.

Mr. GILLET. Is your business increasing very much?

Secretary Root. I will tell you just where we want them. We want one clerk in the solicitor's office. Their force now is not sufficient to enable them to file and maintain a record of precedents, which is of very great importance, of course. They are making opinions, the Secretary is making decisions, and the courts are making decisions bearing upon questions arising in the State Department continually. When the business was small men could keep track of it in their heads. One disadvantage, however, of that was that a man made himself indispensable, and when he was separated from the service for any reason there was nobody who could go on with his work. As the business has grown larger, it has become important to substitute a system so that anybody can take up anybody else's work. That is about the work of one man. The necessities of the various bureaus in the department, arising from causes that I will mention to you presently, have made it necessary to put five clerks who belong in the indexing bureau at work on particular things which have come up and which have to be done, and we want to put either five new clerks in the indexing bureau or send those men back and fill their positions. We want three in the bureau of trade relations, which now does and hereafter will have a very greatly increased amount of business, particularly in relation to the tariff, which is going to start up a series of questions between the United States and all the countries with which we do business.

Mr. TAWNEY. You are speaking now with reference to the maximum and minimum?

Secretary Root. The maximum and minimum tariff, and changes in the phraseology of the tariff, and changes in the schedules are going to put every foreign office in the world with whose country Americans

do business into correspondence with the State Department about the construction and application of our tariff.

Mr. TAWNEY. If we adopt some other tariff with European countries, that is, the maximum and minimum, that would involve a very great increase in the work of your department?

Secretary Root. Undoubtedly.

Mr. GILLETT. Who is at the head of your trade-relations bureau?

Secretary Root. Mr. Osborne, who was an assistant in Mr. Kasson's time.

Mr. GILLETT. Is he in the little building?

Secretary Root. Yes, sir. He is a very efficient and devoted officer. Then in the consular bureau we want three more clerks to do work which is suffering for want of attention, and in the library we want one. That makes up the thirteen.

Mr. BINGHAM. The general organization of your department seems to be on a most satisfactory basis?

GENERAL ORGANIZATION.

Secretary Root. Looking at it as a temporary matter, yes, it is on a satisfactory basis. I consider, however, that the time will shortly come when it will be desirable to make very material changes in the organization of the State Department. I think the time will soon come when the enlarging business will justify and require a politico-geographical division. That is, instead of dividing the work entirely by subjects, diplomatic or consular bureau, or trade relations, and so on, there will be one bureau or division, or whatever you may choose to call it, to deal with European questions, another to deal with Latin-American questions, that is, all America to the south of us, another to deal with far eastern questions, and another to deal with British-colonial questions. Perhaps, in working it out the distribution would not be necessarily like that, but I mention those to indicate it.

Mr. BINGHAM. Distinctively geographical?

Secretary Root. Yes, sir. But I think the time has not come for that yet, and I think it is a mistake to overorganize a small department, and for the present the organization is all right, I think.

Mr. TAWNEY. Mr. Secretary, to what extent has the work of the department increased during the past few years as the result of that department dealing with international political questions generally throughout the world, as it had theretofore dealt almost exclusively with commercial questions?

Secretary Root. Well, there has been a very great increase.

Mr. TAWNEY. In consequence of our taking a more active part in international political questions than heretofore?

Secretary Root. Yes, sir. Let me give you some figures of matters which are some indication of the increase. The total number of mail prices handled—that is, letters received and sent out—in the fiscal year 1905–6, was 111,992; the fiscal year 1906–7, 131,186; the fiscal year 1907–8, 161,846. You see it is going up steadily, in two years running from 111,992 to 161,846, an increase of about 30,000 pieces a year. That is some indication. Of course it is not absolute, but it affords an indication of the increase of business.

Mr. TAWNEY. What I would like to get at generally, and I assume you have given more thought and consideration to the matter than most men, is, to what extent the business of the State Department has increased on account of our enlarged commercial activities with foreign nations and our enlarged consideration of international political questions that heretofore were regarded as entirely outside of the realm of our Government under the isolated policy, you might say, that we have heretofore pursued?

Secretary Root. Some figures that show a little indication of the increase of our trade are \$1,662,000,000 in 1896, \$2,960,000,000 in 1906, and \$3,315,000,000 in 1907.

Mr. TAWNEY. That includes exports and imports?

Secretary Root. Yes, sir. All that means increased communication with foreign countries.

Mr. BINGHAM. And more activity on the part of the consuls?

Secretary Root. Yes, sir; more activity on the part of the consuls, and more complaints made by our own people of what other countries do and by foreign countries of what our people do.

Mr. BURLESON. And more friction?

Secretary Root. Yes, sir. More oil to be poured on and more difficulties to clear up. Our business in the State Department is preventing friction, as Mr. Burleson has suggested, and the more business there is the more friction there is.

FOREIGN TRAVEL.

Another little thing. The foreign travel, the outgoing passengers from the United States, in 1898 was 225,411; in 1906, 496,737; and in 1907, 569,882. All that means more work.

Mr. TAWNEY. You have not the figures for 1908?

Secretary Root. No, sir.

Mr. TAWNEY. It would be interesting to see what effect the panic had.

Secretary Root. Yes, sir.

Mr. LIVINGSTON. Can you calculate the average amount of money that they spend abroad?

Secretary Root. No, sir.

Mr. LIVINGSTON. There is no way to get at that?

Secretary Root. There have been a good many estimates made, but I think they are not very accurate. The bankers have to get that.

Mr. BURLESON. They get the worth of their money as a general thing?

Secretary Root. They try to. There is a very great increase in immigration.

Mr. TAWNEY. Let me ask you first, Does your department have any considerable amount of work to do in consequence of the American travel to European countries?

Secretary Root. Yes, sir.

Mr. TAWNEY. Does that increase the work of your department?

Secretary Root. Yes, sir; very materially.

Mr. TAWNEY. How?

Secretary Root. Because, in the first place, more people get into trouble abroad. In the next place, more people crowd in on the consuls abroad. In the next place, more people die and their bodies have

to be brought home and their estates have to be taken care of. There is a great variety of little things where they need the help of the Government, or their friends and relatives need the help of the Government, and it piles up the work. That kind of an increase is work that comes very largely upon the clerical force.

CONSULAR INSPECTION.

Congress made some changes in the law, which are very salutary, but which can not be worked out without some increase in the clerical force. Three years ago you established the system of inspection. Prior to that time the last place to hear whether a consul was going wrong or not was the State Department. They had there no eyes, they had no ears, and they had no hands. They had to wait until, through the medium of gossip or private letters, there would ultimately come to the State Department the information that a consul was not attending to his business or was not fit for his place. The consuls were sent off where they were free from all the restraints that are imposed upon a man by the public opinion of the community in which he lives. A great many men went wrong who ought not to have gone wrong because they did not think they were being observed. The knowledge that an inspector is coming around is a great corrective.

Mr. GILLET. Are not the consuls under the supervision of the consul-generals?

Secretary Root. There was no supervision; the consul-generals were merely consuls with the title.

Mr. LIVINGSTON. A consul-general could not see or hear any farther than you could?

Secretary Root. He had to stay at home and attend to his own business as consul. In the course of time the title of consul-general had come to have no meaning whatever, because the title was given according to the wishes of the consul to have a higher title, or according to the understanding that more consideration would be given to a man who had that title.

Mr. BURLESON. During your administration you have introduced as far as you could the merit system in the consular service as well as in the diplomatic service?

Secretary Root. Yes, sir; that is another thing, and I will come right to it. The inspectors have been taken from the most experienced consuls.

Mr. TAWNEY. How many inspectors have you?

Secretary Root. Five. It is not enough, but it is a great improvement. They are going about all the time making their inspections and their reports are coming in constantly.

Mr. GILLET. Do they act as consuls also?

Secretary Root. No, sir. If they find a defalcation or find that a man is going very far wrong, under the law they are empowered to take possession of the office, but except in that way they do not act as consuls. All that means clerical work. Their reports come in and they have to be digested and tabulated; otherwise as they pile up they will become useless. The results of their reports go into the record upon which we are trying to establish, what Mr. Burleson just spoke of, the application to the consuls of a system under which

the men who do the work will get the promotions instead of having them feel that all the good places are closed against them in their absence from home, and the certainty that some one who can go to Washington will be shoved in over their heads.

Mr. BURLISON. Some one who happens to be in America?

Secretary Root. Yes, sir. You made that change possible by the law to classify the consuls enacted three years ago, and on the basis of that classification the President issued two years ago last summer an executive regulation providing that all the higher consulates should be filled by promotion from the lower consulates, on the basis of efficiency as shown in the service, and that the lower consulates, the \$2,000 and \$2,500 consulates, should be filled by original appointment on the basis of an examination, which was not a new thing, because there had been an examination before.

Mr. BURLISON. You prescribe higher qualifications for those men?

Secretary Root. Yes, sir.

Mr. BINGHAM. Do the consuls report to the consul-general of their territory or directly to your office?

Secretary Root. The great bulk of their reports are directly to our office. There are some things which, under the law, go to the consul-general. All that means more clerical work, but it is a most useful thing and it has put new life and heart into the consuls. It has made them feel that it is of some use for them to work, and they are doing work as the result of it.

Mr. BURLISON. You are also trying, as I understand, to apportion, as far as may be consistent with the best interests of the service, the appointments of the consuls fairly between various sections of the country?

Secretary Root. Yes, sir. We put in the regulations a provision that, other things being equal, the appointments should be made in such a way as to make the representation of the States in the service proportionate to their representation in Congress.

Mr. TAWNEY. Mr. Secretary, to what extent, in your selection of consuls or consuls-general under your present system, do you observe or give consideration to a man's business capacity and his business experience?

Secretary Root. There is very great attention paid to that. One-half of the rating in the examination is on an oral examination which is directed to just such matters. The written examination stands for one-half only. That tests a man's capacity to write English and his intelligence and knowledge of the subjects that a consul ought to be familiar with. That is one half. The other half is an oral interview between the proposed consul and the examining board.

Mr. TAWNEY. To what extent do you think this increased commerce or export trade of the United States is due to the higher degree of business capacity and intelligence now employed in the consular service and to what extent is it due to the special agents of the Department of Commerce and Labor, who are sent out and travel through the foreign countries all the time for the purpose of increasing trade in particular lines?

Secretary Root. It is pretty difficult to answer that question. I will say this, however, the consuls are at work all the time and the consuls are very numerous. The agents of the Department of Commerce and Labor are few in number and only occasional in their

visits. There have been some very excellent agents sent out by the Department of Commerce and Labor, some men who have made most useful and valuable reports. I do think their direct influence on commerce has not been very great, because they have not stayed long enough to do that, but the consul who is stationed in a place is there all the time, and he understands that if he is active and makes a good impression upon the business men who are trying to work up trade and upon the travelers who come, if his reports show that he knows what he is about, he is going to have a chance to be promoted to a higher position. He is the man who is helping the growth of business.

MR. TAWNEY. Is it any part of the duties of a consul to familiarize himself with trade conditions or peculiarities in certain lines of trade within his jurisdiction and to inform the American manufacturer with a view to acquainting him with those conditions and enabling him to manufacture or produce articles for sale in the community in which he has jurisdiction?

Secretary Root. Yes, sir; that is one of the principal things.

MR. BURLISON. Do you consider the character of business that is being conducted in a particular place when you come to the selection of a consular officer to send to that place? To illustrate what I mean, Manchester is a great cotton manufacturing center, in fact, that is the exclusive business of the town of Manchester, and whenever you think of Manchester you think of cotton manufactures. In the selection of a consular officer to send to Manchester, if you have one, do you consider the character of business that is being conducted at Manchester?

Secretary Root. Yes, sir; appointment to Manchester would be a promotion and the fitness of a man for that particular place would be specially considered.

As to the low-grade stations—that is, the \$2,000 and \$2,500 places—which are classes 8 and 9, we send to them the new men. They are now, under the new conditions, ordinarily young fellows. In the first place, there is a 50-year age limit, and most of the men who come in are comparatively young men. We send them to those places to get their training and then, as they show their capacity, we pick them out and send them to the higher places, according to what they have shown.

MR. GILLET. Your original examination is not competitive?

Secretary Root. No; but there is a competitive element in it, because we ordinarily examine more men than there are places to be filled, and men who show qualities that make us want to get them in the service are appointed first. So there is that element.

MR. BINGHAM. In your final review of the estimates of your assistants, did you cut down their estimates largely?

Secretary Root. I think, General, that instructions were given beforehand. I gave instructions beforehand that they were not to ask for any increase of any description except this increase in clerks.

MR. BINGHAM. And this is the result of your admonition or notification?

Secretary Root. Yes, sir.

MR. BINGHAM. What is the function of a consular agent, distinctly local to the country, is it not?

Secretary Root. A consular agent is a nonsalaried officer who is constituted at some point within a consular district which is not important enough to have a consul, but where the convenience of trade requires that there be somebody to do the consular business.

Mr. BINGHAM. His benefit comes from the fact that he is accredited the agent representing a great government?

Secretary Root. He gets certain small fees, the limit of the fees being \$1,000.

There are a lot of other things which bring more work on the State Department that I have not mentioned. May I run over them?

Mr. BINGHAM. Certainly, Mr. Secretary. I thought you had finished.

Secretary Root. The whole world is advancing in cooperation on all sorts of topics. International conventions, congresses, and conferences of all kinds are springing up and are continually on the increase. You had The Hague Convention. We have had here in Washington this last summer the tuberculosis congress. We have going on this month in Chile a Pan-American scientific congress. We have just opened in London an international prize court conference. We have in preparation an international exposition at Quito, for all of which you have made special appropriations. There is about to be held here a congress on hygiene, under authority of Congress, and a great many others, smaller ones, less important. All of them mean correspondence, questions to be settled, information to be obtained, delegates to be appointed and to be instructed.

Mr. LIVINGSTON. That all tends to build up peace between the nations?

Secretary Root. Yes, sir. There is another thing which is quite important. In consequence of the changes in the immigration law and the changes in the citizenship laws, questions are constantly arising and work is being created for the clerks in the State Department. Then, the building of the Panama Canal has brought about a condition where it has been necessary for the United States to have an active policy in the Caribbean. Our treaty with Santo Domingo is an illustration. Santo Domingo was in a situation where it was quite evident that she could not any longer maintain her own Government. She was in continual state of bloodshed and revolution. She had some \$30,000,000 of debts hanging over her like a wet blanket and she was in default, not only as to interest, but principal. She had pledged the proceeds of her ports to a variety of foreign countries. Somebody had to come in and help her. She came to us to help her. We have made a treaty under which the President of the United States appointed a receiver of customs in Santo Domingo, and that single officer, without the landing of a soldier or the firing of a gun, has, in the first place, enabled Santo Domingo, with some help from us, to settle and refund her debt, and has brought about entire peace in place of the continual revolution and bloodshed which existed before. There is entire peace, the revenues have more than doubled, they are now paying the interest and sinking-fund provision upon their debt and the balance that goes to the Government of Santo Domingo is double what it was before, when they did not pay anything on their debt. They are getting rid of all the burdensome concessions which tied them up on every hand and they are going to

have, when they get all that done, six or seven million dollars to be applied to railroad extension and improvements.

Mr. BINGHAM. That is because of honest supervision?

Secretary Root. Yes, sir.

Mr. TAWNEY. We are in no way compensated, are we, for the participation we have exercised there that has brought about this improved condition?

Secretary Root. No, sir; no compensation at all, except that we will have a peaceful and prosperous neighbor.

We have been undertaking to help the people in Central America. To accomplish that Mexico and the United States have been collaborating. The presence of Mexico takes away all the prejudice that would come from the difference of race and language and institution, while the presence of the United States with Mexico takes away the suspicion that comes from Mexico's proximity. The two countries have been working together, trying to exercise an influence in the direction of peace and order. It is a very laborious work. You have given us some additional ministers, so we have a minister in each of the Central American States. That all means more work for the clerks, but I think it is worth while, because when we get the canal built we have got to be the great influence in the Caribbean. We do not want other countries, we do not want to govern them, we do not want to annex them, we do not want anybody else to take possession of them, we want them to govern themselves, and we have got to be the great influence toward the stability and the success of their self-government. That all means labor, and it means assiduous attention, and it means work for the clerks.

CONTINGENT EXPENSES.

Mr. TAWNEY. The next item is "Contingent expenses."

Secretary Root. Five thousand dollars additional. That is the same as was asked last year and given last year.

Mr. TAWNEY. What was the special reason for the increase at that time?

Secretary Root. We needed furniture to take care of the new building rented across the street.

Mr. BURLESON. You do not have to buy furniture every year?

Secretary Root. We have not gotten through. The plant has to be kept up. It has not been kept up.

Mr. GILLET. Do you think you should have \$12,000 every year?

Secretary Root. Well, I do not know, but I know that we have not the plant up to the point where it should be.

Mr. GILLET. You mean the whole plant?

Secretary Root. Yes, sir. Mr. Carr can give you the details.

Mr. TAWNEY. Have you a detailed statement of the expenditure of this money?

Mr. CARR. No; I have not. We have expended about two-thirds of the sum. The appropriation last year, covering the extra \$5,000, was made upon detailed estimates submitted to your committee.

Mr. TAWNEY. For what?

Mr. CARR. For furniture and other articles of equipment. We estimated for \$7,000 additional and submitted a detailed statement

of what we were going to do with that amount. You cut off \$2,000 and gave us \$5,000 additional.

Mr. TAWNEY. Most of the increase asked for was for the furnishing of the building you had just rented?

Mr. CARR. No, I beg your pardon; only a comparatively small part of the increase was asked for the new building. I remember that about \$3,000 was for the index bureau alone, largely on account of the new index system installed about two years ago, for which we had to have entirely new filing apparatus, filing cases, and all the necessary equipment to carry on that system.

Mr. BURLESON. You do not need to have that again this year?

Mr. CARR. No, sir; but we have to add to it.

Mr. TAWNEY. Can you state how much of this appropriation was expended during the last fiscal year for stationery and how much for furniture?

Mr. CARR. I am afraid I can not give you precisely that. I have the total amount expended, but I have not distributed it under the different heads.

Mr. TAWNEY. How much of the \$7,000 was expended for stationery and how much for furniture and how much for fixtures and repairs and materials?

Mr. CARR. I should have to separate that from our statement and make an itemized statement.

Mr. TAWNEY. I want to get the relative amount for these various items. Please insert a statement of the amounts expended under the various heads here specified.

Mr. CARR. Yes, sir.

Mr. GILLET. And also how you contemplate expending the amount of this estimate.

Mr. CARR. The estimate amounts to \$2,691 for the different bureaus.

Mr. GILLET. For what?

Mr. CARR. For furniture for the next year.

Mr. GILLET. Two thousand six hundred dollars out of this \$12,000?

Mr. CARR. Yes, sir.

Mr. GILLET. Does that include the indexes?

Mr. CARR. That includes \$600 for the index bureau, \$481 for the bureau of trade relations, \$297 for the bureau of appointments, \$240 for the solicitor's office, \$600 for the consular bureau, and \$490 for the diplomatic bureau.

Mr. TAWNEY. That would supply all the furniture and equipment that you intend to purchase out of the \$12,000.

Mr. CARR. Adding to this, as I figure, the \$2,000 which we did not get last year in that same fund, although we estimated for it, it would make about \$4,600.

Mr. TAWNEY. What are you going to do with the additional \$2,000?

Mr. CARR. I intend to expend it in accordance with the detailed estimate of last year.

Mr. TAWNEY. Is not that included in this?

Mr. CARR. No, sir.

Mr. BURLESON. Please put in your remarks a detailed statement showing how you spent the contingent fund last year and how you intend to spend it this year.

Statement of expenditures from the appropriation, Stationery, furniture, etc., Department of State, for the fiscal years ending June 30, 1907, 1908, and 1909.

On what account.	1906-7.	1907-8.	a 1908-9.
Stationery supplies, etc.....	\$2,435.33	\$3,976.90	\$3,460.20
Furniture, carpets, etc.....	1,576.90	508.76	1,440.14
File cases, etc.....	1,142.66	596.42	982.61
Typewriters, repairs, etc.....	1,004.88	1,317.50	666.70
Carpenter work and material.....	808.75	551.75	152.66
Advertising.....	26.25	22.20	
Total.....	6,994.77	6,968.58	6,736.27

* Include outstanding obligations and items paid up to December 1, 1908.

SUMMARY.

Total of appropriation 1906-7.....	\$7,000.00
Expenditures as per above statement.....	6,994.77
Unexpended balance.....	5.23
Total of appropriation 1907-8.....	7,000.00
Expenditures as per above statement.....	6,968.53
Unexpended balance.....	31.47
Total of appropriation 1908-9.....	12,000.00
Expenditures as per above statement.....	6,736.27
Unexpended balance.....	5,236.73

Statement of estimate for stationery and furniture, 1909-10.

Amount estimated for last year but not granted by Congress (as per estimate on pages 53 and 54 "Hearings before Subcommittee of House Committee on Appropriations, January 11, 1908")..... \$2,000.00

Estimate for additional articles for 1909-10, as follows:

Bureau of trade relations:

2 typewriting machines.....	\$170.00
3 desks.....	90.00
3 chairs.....	24.00
3 rugs.....	20.00
1 bookcase.....	25.00
2 wardrobes.....	40.00
1 electric fan.....	12.50
Reference books and subscriptions to trade journals.....	100.00
	\$481.50

Index bureau:

File cases.....	500.00
Typewriter repairs.....	100.00
	600.00

Appointment bureau:

2 vertical file stacks.....	45.00
1 cabinet.....	7.00
1,200 file holders.....	5.00
1 typewriter.....	80.00
Typewriter repairs.....	30.00
Atlas.....	37.50
Rug.....	75.00
	297.50

Solicitor's office:

File case.....	\$30.00
Desk.....	30.00
2 tables.....	40.00
3 chairs.....	35.00
Cabinet.....	25.00
Rug.....	60.00
Washstand.....	20.00
	<hr/> \$240.00

Consular bureau:

Carpets, typewriters, new chairs, etc..... 600.00

Diplomatic bureau:

3 carpets.....	300.00
6 chairs.....	60.00
1 desk.....	75.00
1 bookcase.....	30.00
1 writing table.....	25.00
	<hr/> 490.00

\$2,691.00

Total for new equipment..... 4,691.00

Regular appropriation for current expenses..... 7,000.00

Total..... 11,691.00

Amount estimated for..... 12,000.00

FRIDAY, DECEMBER 4, 1908.

BUREAU OF THE CENSUS.**STATEMENT OF MR. S. N. D. NORTH, DIRECTOR.****OMISSION OF ANNUAL ESTIMATES.**

Mr. BURLESON. Why did you leave the appropriation out?

Mr. NORTH. I do not know. I submitted the estimates at the usual time, and the department left them out for subsequent submission on the theory, I suppose, that since it was an appropriation for three years instead of one that it might be better to have it in a separate bill.

Mr. BURLESON. An appropriation for three years. This is a permanent bureau?

Mr. NORTH. The bill now pending in Congress contemplates that the whole census force during this decennial period will go in the lump-sum appropriation.

Mr. TAWNEY. The estimates came here from the Department of Commerce and Labor with no estimate whatever for the permanent census force in that department. Now, I have thought there was no justification for omitting the appropriation in the legislative bill heretofore carried for the permanent census bureau. Their work during the next fiscal year will be more or less in connection with the taking of the next census, but, nevertheless, that is to my mind not sufficient justification for excepting this bureau from the provisions of law, which require detailed appropriations for all of the bureaus of the several departments of the Government here at the seat of government in Washington.

Mr. GILLET. That is assuming that the census bill will be passed. We do not know about that?

Mr. TAWNEY. Of course we do not know.

Mr. NORTH. That may be another reason why the estimates were omitted because the census bill has not yet become a law.

Mr. GILLETT. You want the force?

Mr. NORTH. Yes, sir; of course.

Mr. BURLESON. Mr. North says he made the estimates in the usual way and they were stricken out by the Secretary.

Mr. TAWNEY. Here is the provision of law :

Hereafter the heads of the several executive departments and all other officers authorized or required to make estimates for the public service shall include in their annual estimates furnished the Secretary of the Treasury for inclusion in the Book of Estimates all estimates of appropriations required for the service of the fiscal year for which they are prepared and submitted, and special or additional estimates for that fiscal year shall only be submitted to carry out laws subsequently enacted, or when deemed imperatively necessary for the public service by the department in which they shall originate, in which case such special or additional estimate shall be accompanied by a full statement of its imperative necessity and reasons for its omission in the annual estimates.

That provision was enacted in the legislative act of 1906 for the purpose of requiring all the estimates to be sent in for the appropriations for the permanent force in the city of Washington and for all other public services and to shut off supplemental estimates, allowing only estimates that come in as supplemental estimates made necessary by the enactment of legislation subsequent to the beginning of the session, and the proper thing, in my judgment, is to have the estimates for the permanent force which you contemplate working during the fiscal year 1910 independent of whether this census law goes through or not. If by reason of the enactment of the census law you will require more for your permanent force than you estimate here, then it would be your duty to submit a supplemental estimate covering the amount necessary to meet the requirements under the law subsequently passed.

Mr. NORTH. Well, Mr. Tawney, there is this to be said on the other side: You can not conduct a decennial census office in any other way than with a lump-sum appropriation. I think that is clear. That is what we are up against. The pending census bill provides for a hundred additional clerks at salaries from \$1,400 to \$1,800. Those positions will be filled, practically all of them, by promotions from our regular force. The vacancies thus created could only be filled by appointment to the statutory roll by calling or people from the civil service, regularly certified people. Therefore, at the end of the decennial census period we would be in the very curious position, if you established a statutory roll, of having our best people out of jobs, because the one hundred places are limited by the pending bill.

Mr. LIVINGSTON. Have you not a permanent census office?

Mr. NORTH. Yes, sir.

Mr. LIVINGSTON. Would you not have to have a permanent roll?

Mr. NORTH. No, sir. There are a number of reasons why a statutory roll over there is impracticable in connection with the census.

Mr. GILLETT. You must have a statutory roll now?

Mr. NORTH. Yes, sir.

Mr. GILLETT. And it is your theory that when you begin the taking of the decennial census that statutory roll should be abolished?

Mr. NORTH. Yes, sir.

Mr. GILLETT. That is your argument?

Mr. NORTH. Yes, sir.

Mr. GILLET. Otherwise your best force will get onto the temporary roll and when you come back you will lose them?

Mr. NORTH. Yes, sir.

Mr. TAWNEY. Why is it necessary for you to promote your present force to the higher positions?

Mr. NORTH. Because they are best trained for such places.

Mr. TAWNEY. Are they not getting sufficient salary to compensate them for the work they are doing?

Mr. NORTH. No, sir; we can not count 90,000,000 people without a much larger supervisory force than the Census Office has. That is obvious.

Mr. TAWNEY. You provide for only 100 additional?

Mr. NORTH. Yes, sir.

Mr. LIVINGTON. When you come back out of the decennial census they could go right back to their salaries?

Mr. NORTH. No, sir; they are abolished at the end of three years.

Mr. GILLET. What I think Mr. Tawney had in mind was if your permanent census has this force of clerks at the present salaries, why do you need to increase their salaries?

Mr. NORTH. Their work will be much more responsible. There will be a great many clerks to supervise in the lower grades.

Mr. TAWNEY. Why will their work be more responsible? In what respect will the responsibility be increased?

Mr. NORTH. It is the hardest work I know of. We have to enumerate 90,000,000 people in thirty days.

Mr. GILLET. What will the best clerks have to do?

Mr. NORTH. They will have to make the plans and arrangements and supervise the work.

Mr. TAWNEY. I thought that was the work that the permanent census was to prepare for.

Mr. NORTH. That is what we are doing.

Mr. GILLET. Why do they have any harder work?

Mr. NORTH. You get 65,000 enumerators in the field and you have to furnish the supplies, and there are a thousand and one little difficulties that arise. You have to work day and night.

Mr. TAWNEY. On your own theory, suppose that we should go on and appropriate for your bureau as we have done heretofore, when this census bill passes and becomes a law which authorizes the appointment of the 100 additional people, why could you not then submit your supplemental estimate covering their employment and compensation for the positions and then promote those in the Census Office who are capable of filling those positions, and when the census is completed the 100 that are there under the statutory roll could be dropped entirely from the service and would be no longer required?

Mr. NORTH. They are in the permanent classified service.

Mr. GILLET. But you can drop them?

Mr. NORTH. I do not want to.

Mr. TAWNEY. You could drop the hundred and put back those who had been promoted?

Mr. NORTH. That is contrary to the whole spirit of the civil-service law.

Mr. BINGHAM. Can you run your bureau next year under the same appropriation without any additional new law?

Mr. NORTH. No, sir.

Mr. BINGHAM. Do you want more money for the next fiscal year without regard to additional legislation?

Mr. NORTH. No, sir; but the census is inevitable.

Mr. BINGHAM. That is new law. We will take that up as an independent proposition. You can run it under the same appropriation without regard to additional legislation?

Mr. NORTH. If there were no census. That is all we will do. We will drop everything in the office.

Mr. BINGHAM. The law which Mr. Tawney has read well defines how any supplemental proposed increase can be secured from the proper committees of Congress.

Mr. GILLET. Suppose we make no appropriation in this bill; that leaves it for the census bill?

Mr. NORTH. Yes, sir.

Mr. GILLET. Suppose the census bill provides that all the employees shall be appointed as they were the last time, what happens to your present force?

Mr. NORTH. They remain where they are.

Mr. BURLESON. They would be legislated out of office?

Mr. NORTH. That is all provided for in the bill.

Mr. BURLESON. But suppose they change the bill?

Mr. NORTH. There are other difficulties. The lowest grade of entry into our office is \$900. We have only fifteen of those positions; the rest come in at \$1,000. The pending census bill provides that the entrance rate shall be \$600. It also provides that experienced clerks in former censuses may be appointed without examination. They come in at \$600.

Mr. LIVINGSTON. We have not passed the bill; how do you know?

Mr. NORTH. I am speaking about the law as it is proposed. There is another difficulty. One of the provisions of this bill provides that the mechanical work is to be paid for by the piece. That is, the working of those machines is very skillful and we can use most of the people who are now in the permanent force.

Mr. GILLET. The tabulating machines?

Mr. NORTH. Yes, sir.

Mr. GILLET. I thought that was very simple work.

Mr. NORTH. It is; if they are trained.

Mr. TAWNEY. Have you in some tentative state a comprehensive plan of your organization for the taking of the census in your office?

Mr. NORTH. I can not say that I have as yet. Of course we are working on that all the time.

Mr. TAWNEY. Do you estimate that you will employ only a hundred additional people?

Mr. NORTH. No, sir; twenty-five hundred. There will be 100 additional people of the supervisory grade and twenty-five hundred people from \$600 up to \$1,200.

Mr. TAWNEY. How many people have you in your present force?

Mr. NORTH. Six hundred.

Mr. TAWNEY. And you will have 100 additional in the supervisory grade?

Mr. NORTH. Yes, sir.

Mr. TAWNEY. Receiving what salaries?

Mr. NORTH. From \$1,400 to \$1,800.

Mr. GILLET. Which you wish to take out of your present force?

Mr. NORTH. Yes, sir; very largely.

Mr. TAWNEY. If that was done you would have only 100 vacancies out of the 600 positions you now have?

Mr. NORTH. Yes, sir.

Mr. TAWNEY. Would you not have out of the 2,500 at least 100 \$900 people, and when you filled up the 100 places then the vacancies in the 2,500 could all come under the bill as it may pass?

Mr. NORTH. I would fill up the 100 places with green clerks secured from the register, who would come in at \$900. The 2,500 clerks would have to come in at \$600, although some of them would be worth a great deal more than the clerks at \$900.

Mr. GILLETT. Will the law provide that they shall all come in at \$600?

Mr. NORTH. Yes, sir; except the one hundred.

The question of a statutory roll was up with the disbursing officer of the department. He came down to the Census Office and went all over it, insisting that it must be done in the way you gentlemen suggest.

Mr. GILLETT. What must be done?

Mr. NORTH. The statutory roll must be preserved. He went away without indicating the conclusion he would reach, and I prepared a memorandum to be submitted to him covering the position of the office in regard to the matter. Before I got this memorandum into his hands he came to the conclusion that we were right and that it was impossible to effectively organize the office with two separate rolls, both engaged in the same work.

Mr. LIVINGSTON. We had two rolls in the War Department for nine years?

Mr. NORTH. You were not taking the census.

I would like to be permitted to submit for the information of the committee the memorandum I prepared on that subject. I would like to have you read it.

Mr. TAWNEY. We would like to read it. Just put it in the hearing. (The memorandum referred to is as follows:)

The proposition has been advanced that the permanent Census Office force should be provided for during the decennial census period by a separate statutory appropriation, instead of being paid from the lump sum appropriation for the Thirteenth Census; that unless this method is adopted the civil-service status of the employees of the permanent office will be affected.

If the entire clerical force required for the Thirteenth Decennial Census could be provided for on a statutory roll, it would be highly desirable for many reasons. But the uncertainty as to the actual number of temporary clerks that will be required, the rapidly shifting compensation to be paid them as the work progresses, and the differing tenure of their employment—varying from three years at the outside to a few months in many cases, render a complete statutory roll impossible.

If the permanent clerical force of the bureau could be carried on a statutory roll during the three-year decennial period, regardless of the much larger temporary force engaged in the same work, and without interfering with the rapid and orderly progress of that work, it would be desirable to enact legislation to that end.

Much time and thought were given to the consideration of this latter proposition in the hope that a feasible scheme might be worked out.

At each stage of these conferences new and apparently insurmountable difficulties presented themselves; and it was the unanimous judgment of the experts who participated in them that the attempt to maintain any statutory roll during the three-year decennial period must be abandoned if the plans to get a complete census in the shortest possible time were to be successful. Accordingly,

the plan set forth in the pending Thirteenth Census bill was devised and substituted, and after full explanations received the unanimous approval of the Census Committee of the House of Representatives. This plan makes certain three things of nearly equal importance, viz:

1. The complete protection in his present status of every person now on the statutory roll of the bureau.

2. The complete protection of the classified service against the admission of the temporary clerks into the permanent service.

3. The possibility of handling the large force with facility, without friction, without injustice in rates of compensation, without the complications of the two rolls, and with complete interchangeability among all employees.

So far as concerns the civil-service status of the employees of the permanent office, it is immaterial whether their salaries are paid from a lump sum appropriation, made for the general expenses of the office, or from the statutory roll appropriation.

Paragraph 1, Rule II, of the civil-service rules, provides that "the classified service shall include all officers and employees in the executive civil service of the United States, heretofore or hereafter appointed or employed, in positions now existing or hereafter to be created, of whatever function or designation, whether compensated by a fixed salary or otherwise, except persons employed merely as laborers, and persons whose appointments are subject to confirmation by the Senate * * *."

Under this rule, the permanent census force will necessarily remain within the classified service, unless placed upon the list of excepted places by executive order, or unless they should be excluded from the operation of the civil-service law by act of Congress. The permanent force has not been excepted from the operation of the rules by the President; nor has it been excluded from the operation of the civil-service law by Congress. On the contrary, in enacting the permanent census legislation, Congress placed the census force within the classified service by specifically providing that—

"* * * all new appointments to the permanent clerical force of the Census Office hereby created shall be made in accordance with the requirements of the civil-service act * * *." (Sec. 5, act of Mar. 6, 1902.)

Only an act of Congress can alter the classified character of these positions, and it is immaterial whether the compensation which they carry is paid from a lump-sum appropriation or from a statutory-roll appropriation—whether the form of the appropriation is statutory or nonstatutory. The civil-service status of a government employee can not be affected by the payment of his salary out of one pocket rather than another.

The organization of the permanent Census Office is fixed by the act of March 6, 1902, creating it, and not by the terms of the annual appropriation acts. In order to increase the census force to meet the requirements of the decennial census the Thirteenth Census bill provides, in section 3, for certain additional officials, and in section 6 for an increased clerical and labor force. These positions are in addition to the force authorized by the act of March 6, 1902, establishing the permanent office. Nowhere in the bill is reference made to the positions carried in the annual appropriation bill. If the classified status of the employees of the permanent Census Office is affected in any way by the proposed Thirteenth Census legislation, it would necessarily have to be accomplished by some provision of law other than that making the appropriation. The form of the appropriation is entirely aside from and has no bearing whatever upon the legal status of the force.

Under the bill as it now reads the permanent clerks are absolutely protected in their rights, and the civil-service principle, as applied to the present force, is completely safeguarded.

On the other hand, no temporary clerk employed in the Thirteenth Census secures any status at all beyond the three-year decennial period. Section 7 of the census bill provides:

"* * * that at the expiration of the decennial census period the term of service of all employees so transferred and of all other temporary officers and employees appointed under the provisions of this act shall terminate, and such officers and employees shall not thereafter be eligible to appointment or transfer into the classified service of the Government by virtue of their examination or appointment under this act."

Only by the repeal of this provision can any temporary census clerks be legislated into the classified service.

At the end of the decennial census period the office will pass automatically back into precisely the position it now occupies, with a statutory roll to be established in the annual appropriation act for the fiscal year 1913, in accordance with the provisions of section 4 of the permanent census act. There can exist at that time not the slightest question as to the exact status of a single clerk, either temporary or permanent.

Having thus shown that a separate appropriation for a statutory roll is unnecessary for the protection of the clerical force of the permanent Census Office, or for the protection of the classified service from the temporary appointments of the decennial census period, it remains to indicate the positive disadvantages which must necessarily result from an attempt to maintain two separate rolls in the Census Office upon the same work during the decennial census period.

The clerical force of the decennial census period will consist approximately 3,100 clerks, of whom 2,500, secured from special civil service registers, will be temporary, and 600—the present force—will be permanent.

Obviously it will not be practical to set the permanent clerks aside from temporary clerks, keeping the former exclusively employed on certain lines of work and the latter exclusively on other work. The combined force must be engaged in the one task of taking and compiling the Thirteenth Census; and all employees, whether temporary or permanent, should be given equal opportunity for advancement during the progress of this work, according to their special aptitudes and the value of their services.

The census bill provides for 100 additional temporary positions carrying a compensation of from \$1,400 to \$1,800 per annum. The majority of these higher-salaried places must be filled by employees now in the service whose training and experience will make them of greater value to the work than the services of the inexperienced temporary clerks. To fill the places on the permanent roll which the present occupants would thus temporarily vacate with eligibles from the regular civil-service registers would force these experienced permanent clerks out of the service at the expiration of the three-year period, when the temporary positions will cease to exist by operation of law.

Nor is it within the spirit of the civil-service rules that an eligible from one of the regular registers, appointed to a position in the permanent force during the decennial period, shall be forced out of that position by the return to the roll of the regular census employee temporarily dropped therefrom; this would violate a most important principle of the civil-service law—that of fixity of tenure. A special rule might be devised to overcome this difficulty, but it would be an exception to the present rules and highly undesirable for that reason.

Even if such an exception can properly and advantageously be made, it will furnish no guard against the administrative difficulties arising from an attempt to carry on the Census Office with two rolls and two distinct classes of clerks, both engaged upon the same work. The amount of red tape and book-keeping necessary to preserve these two rolls and the confusion resulting from the constant shifting of clerks from one roll to the other would very greatly and unnecessarily increase the cost and the burden of the decennial census. There would be absolutely no compensating advantage of any kind or character.

With few exceptions, the 2,500 temporary clerks will enter the service at an annual salary of \$600. The statutory census roll for the current fiscal year makes no provision for clerks at a salary less than \$900. It authorizes only 15 clerks in that grade, as against 142 at \$1,000 and 340 at \$1,200. If a statutory appropriation is made for the decennial period for the salaries of the permanent force on the basis of the appropriation for the current fiscal year the entrance salary on that roll will be practically \$1,000, as compared with an entrance salary for the temporary clerks of but \$600.

It would be obviously wrong that certain persons shall enter the government service at salaries of \$1,000, and others, many of them having been fully trained in previous censuses, doing precisely the same work, or work of a higher grade, at salaries of only \$600. Yet this will necessarily result if a separate roll is maintained.

Section 6 of the census bill provides—

“ * * * that employees engaged in the compilation and tabulation of statistics by the use of mechanical devices may be compensated on a piece-price basis to be determined by the Director.”

This provision is one of the most important in the bill, and it is largely upon the authority so conferred that it will be possible to take and compile the next census at a cost approximately the same as that of the last. A separate statu-

tory roll will greatly embarrass this plan, for if the clerks now on the statutory roll are assigned to mechanical work and are given a piece-price compensation in lieu of an annual salary, the said annual salary will lapse during the period that they are on the mechanical work (which in some cases may be for only a few weeks or months). The bureau will not have the use of the money so lapsing, as it must be repaid into the Treasury. The best operators (those now in the office) must necessarily be assigned to mechanical work, and the loss to the bureau through lapsing appropriations would be a serious matter.

It is impossible to submit with any degree of accuracy an advance estimate for a statutory roll, the number of which and many of the salaries attached to which are changed by the pending census bill, which may and probably will be materially amended before it becomes a law.

The Director believes that the conclusions of this memorandum will meet with the approval of the Civil Service Commission, and will be glad to have it submitted for the consideration of that body.

S. N. D. NORTH, *Director*.

OCTOBER 24, 1908.

TUESDAY, DECEMBER 8, 1908.

BUREAU OF THE CENSUS (AGAIN).

STATEMENT OF MR. S. N. D. NORTH, DIRECTOR OF THE CENSUS.

MR. NORTH. Mr. Chairman and gentlemen, I have prepared here a statement in writing, giving my views on the question of omitting the appropriation for the permanent Census Bureau during the taking of the Thirteenth Census. I would prefer that I might be allowed to read it without interruption, and at the conclusion I will be glad to answer any questions that may be propounded.

MR. BINGHAM. Very well. Go ahead.

MR. NORTH (reads): I desire to make one more appeal to the committee to so arrange this appropriation as will best facilitate the greatest and most difficult work the Government undertakes.

The plan proposed by the committee contemplates two distinct rolls throughout the Thirteenth Census, with all their attendant complications; that of the Census Committee contemplates but one roll, thus obviously making for directness, and simplicity and economy of operation.

I do not contend that the committee's proposal to continue annual appropriations for the permanent Census Office during the decennial census period is definitely impracticable; I contend that in actual operation it will prove unnecessary, embarrassing, and expensive. There is nothing whatever to be gained by maintaining these two rolls; and unless accompanied by some unusual provision of law, making it possible to interchange clerks from one roll to the other, as the exigencies of the work require, the efficiency of the service and the progress of the work will be very seriously impaired. The pending census bill makes careful provision for all these emergencies.

This census bill recognizes the necessity of providing for two distinct census bureaus, one the permanent bureau of the seven-year intercensal period, during which annual appropriations are made for a regular statutory force; the other the temporary census bureau for the three-year decennial period, during which the whole office passes to a temporary basis, five or six times the size of the intercensal force, with all the clerks equally open to promotion and on the same footing, except that the permanent force does not lose its standing in the

classified service, and the temporary force does not gain any standing at all in that service beyond the three-year census period.

The bill provides that upon the termination of the three-year period the office shall slip automatically back to the permanent-bureau status, under annual appropriations, to be resumed in 1913.

Thus it takes the bureau out from under the permanent census act during this three-year period for all administrative purposes and creates two distinct codes of census law, automatically and alternately superseding each other at fixed periods.

This is the first time it has been necessary to make provision for a decennial census since the establishment of the permanent Census Office. There thus exists a new and unprecedented situation in legislation. All the facts in such a unique situation ought to be carefully considered before the question is finally decided. The Census Committee of the House has given them consideration, and has reached certain conclusions embodied in the bill now under consideration by the House. This committee has based its conclusions on the judgment of those who are in charge of the Census Office, and have given much thought to the whole question. It would seem to be right that the Appropriations Committee before taking action should await the judgment of Congress upon the matured plans of the Census Committee.

It is believed that the census bill answers the objection that existing law requires an annual estimate and appropriation for each bureau of the Government. That objection surely can not hold against a subsequent provision of law under which a three-year decennial-census period is established, requiring a continuing appropriation regardless of fiscal years.

The plan of the Appropriation Committee is one to keep the office at work under two distinct codes of law throughout the census period. This plan has not the merit of simplicity; it must make for confusion and uncertainty; there will be no advantage in economy.

I have studied this question most carefully and I am convinced that the census bill, as unanimously approved by the Census Committee, provides the most practicable, the simplest, the most efficient and the most economical method of dealing with this complicated question.

The decennial census creates a situation the like of which does not arise in the work of any other bureau, and therefore it must be dealt with in a manner entirely different from that which applies to all other bureaus.

The Thirteenth Census can not be taken under the permanent census act. For the time being that act is legislated into abeyance to become effective again on a given date. Why make appropriations to carry on an act that is temporarily superseded by another act? Why appropriate for the salaries of 600 clerks when 3,100 or more will be required, all to engage in the same work? Why appropriate \$6,000 to buy stationery for a permanent office that will require no stationery during a period when the temporary office will require \$100,000 worth of stationery? Why compel two sets of books to be kept throughout all this complicated and difficult work, when one set will suffice and when the purposes for which both expenditures are to be made are identical in every particular?

Why deprive this large office force of all the flexibility and interchangeability it is possible to give it during these three years? The nature of the work demands this flexibility and interchangeability; its efficient discharge compels it.

That the permanent force of the permanent Census Office is absolutely protected under the pending census bill is shown in my memorandum submitted on Friday.

Attention is also called to the fact that the pending census bill creates new temporary officials necessary for the conduct of the Thirteenth Census, and also temporarily increases the salaries of existing officials. This is done because the decennial census work is so strenuous and exhausting, so wholly in the nature of emergency work, and requires so much extra and overtime work, for which compensation can not otherwise be given, that the officials in charge of it are entitled to larger compensation than during the intercensal period.

If a statutory roll is provided for in the legislative appropriation act and the pending census bill is passed in its present form, there will result numerous anomalies; for instance: The four chief statisticians now in the office receive, under current law, salaries of \$3,000 each. The fifth statistician, which the census bill proposes to create, will receive a salary of \$3,500. The disbursing and appointment clerk, under the present law, receives a salary of \$2,500. Under the pending census bill there is provision for both a disbursing clerk and an appointment clerk, each at a salary of \$3,000. Under the plan of the Appropriation Committee the salary of the appointment clerk, as here adjusted, unless changed prior to the passage of the law, will be \$3,000, while that of the disbursing clerk must remain at \$2,500. Various other like anomalies will arise.

There were four chiefs of division in the old census. We have eight. This act provides for twelve at an increased salary.

Mr. TAWNEY. Why do you recommend the increase in the salary for temporary employees and chiefs of division?

Mr. NORTH. I have not done so. That has been put into the bill by the committee.

Mr. LIVINGSTON. Who recommended it?

Mr. TAWNEY. Was it on the recommendation of your bureau?

Mr. NORTH. It was not. I have stated the reasons why it was done.

Mr. GILLET. According to you, these permanent men will get more for three years than they get now. Why should they?

Mr. NORTH. Because of the overtime work which they have got to do.

Mr. GILLET. Do they do more overtime work in their temporary employment than in their regular employment?

Mr. NORTH. The work goes on there during the decennial census day and night. It is going on day and night. It can not be completed within the time set by law otherwise.

Mr. TAWNEY. It need not to if you increase your force enough.

Mr. NORTH. You can not increase your supervisory force beyond a certain point and have it efficient. Of course, the work is done by double shifts, so far as ordinary clerks are concerned. There is a day shift and a night shift.

Mr. TAWNEY. You have to have your supervisory boards doubled, too?

Mr. NORTH. Not in this class.

Mr. TAWNEY. They are chiefs of division?

Mr. NORTH. There are four new ones created by the bill temporarily for that period.

Mr. GILLET. Do they do night work?

Mr. NORTH. That is part of the purpose for which they are created.

Mr. TAWNEY. They could not work sixteen hours a day.

Mr. NORTH. They do, pretty nearly every day for two years, work sixteen hours.

Mr. LIVINGSTON. I think that is overdrawn.

Mr. NORTH. It is an extreme statement, but it is the situation that exists down there.

Mr. LIVINGSTON. It will not do to base any legislation upon that.

Mr. NORTH (continuing). In view of the facts stated, I have the honor respectfully to suggest that the whole question of appropriations for the Census Office, both for the permanent office during the next fiscal year and for the decennial census during the coming three fiscal years, be treated as one proposition, to be provided for in the sundry civil appropriation bill, which will receive the consideration of the committee at a later date.

It is probable that the Thirteenth Census bill will by that time have become a law, or will have approached completion, and the great advantage will inure to the committee, and to all concerned, of considering the question in all its aspects with all of the facts in view.

This method of procedure will bring all of the appropriations for census purposes into one appropriation act and make it possible to legislate in certainty that there will be no conflicting provisions in different appropriation acts.

I respectfully submit this suggestion in the belief that it offers a wise method of handling a subject, the complications of which I freely admit, and that it is most likely to insure an outcome which will be in the best interests of the public service. And that, gentlemen, is all that I have in view—the best interests of the service.

Mr. TAWNEY. Mr. North, the logic of your argument is that we made a mistake in establishing the permanent Census Bureau, and if we legislate it out of existence temporarily, the chances are it will never be reestablished.

Mr. LIVINGSTON. That is exactly what he admits.

Mr. NORTH. That is a risk which, for one, I am perfectly willing to run, Mr. Tawney. This pending bill does not in any way, shape, or manner repeal the permanent census act. It simply puts it in abeyance, pending the three-year period.

Mr. TAWNEY. When I recall the arguments that were used in favor of the establishment of a permanent Census Bureau and how through that permanent Census Bureau, or through its instrumentality you would be able to take the next census with less expense, I fail now to see any advantage that has been gained by the establishment of the permanent Census Bureau in the light of what you propose.

Mr. NORTH. In the proposed estimate of the cost of the Thirteenth Census we propose to take it for a very small sum more than the cost of the Twelfth Census. That is where the gain is coming, Mr. Tawney, right there.

Mr. TAWNEY. Then you want to add to that cost also the cost of maintaining the permanent census during all this time, which was intended to materially reduce the cost of taking the census.

Mr. NORTH. It will materially reduce it. I think every census prior to the coming one has cost from 30 to 50 per cent more than the preceding census. We are now in a situation where we can take the census at practically the cost of the Twelfth Census.

Mr. GILLETT. But suppose, as Mr. Tawney says, you add to it the cost of this permanent census?

Mr. NORTH. Well, the permanent census has been doing a great deal of work submitted to it by Congress, which has more than paid for the cost of maintaining it.

Mr. LIVINGSTON. Let me suggest to you that the incongruity of your proposition is so manifest and so enormous that you can never put it through the brain of Congress, that you ought now to drop the permanent census after you made such an urgent plea and such a hard fight for it on the ground of economy. Now, when you say you will drop it and take it up again after three years, Congress will look askance at your proposition. Let me suggest to you that during the Spanish war we had in the War Department just this complication that you dread so much. We had two rolls, that went along easily and smoothly without any trouble at all, and it will be the same with you. It is a matter of bookkeeping, and if you can not keep books you can not run your office.

Mr. NORTH. We can keep books all right.

Mr. GILLETT. I am disposed to follow your suggestion, but I do not see just how it can be worked out. It is this section 7 that provides as you say?

Mr. NORTH. Yes. This whole plan was discussed at great length before the Census Committee at the last session. All that I said to you this morning was said before that committee, and was published, and was before the House of Representatives when the bill was under consideration, and I think it is fully understood in Congress. It is certainly fully understood by the Census Committee. But what I especially want you gentlemen to understand is that—

Mr. GILLETT. I do not see that this proviso provides that they can be put into a different category. It seems to me you exaggerate the difficulty.

Mr. TAWNEY. Your last section, section 37 of this bill, provides "That the act establishing the permanent Census Office, approved March sixth, eighteen hundred and ninety-two, and all acts amendatory thereof and supplemental thereto, except as herein amended, shall remain in full force; that the act entitled 'An act to provide for taking the Twelfth and subsequent censuses,' approved March third, eighteen hundred and ninety-nine, and all other laws and parts of laws inconsistent with the provisions of this act are hereby repealed." Now you continue your permanent census law—

Mr. NORTH. But it is in abeyance.

Mr. TAWNEY. You can not have a law in abeyance.

Mr. GILLETT. Section 7 provides that they shall be transferable from one office to another. Of course we should have to put in such a provision as that if we appropriated for it in the bill. I do not see how you could do otherwise. As I say, it seems to me you exaggerate the difficulty, because if we put in such a provision it does

not make much difference if we appropriate for it here or in the other bill.

Mr. NORTH. I do not see any advantage of splitting the appropriations.

Mr. GILLET. It keeps the permanent force on the books and keeps it separate, and, theoretically, that is better. It remains in another bill, so that when you come to compare appropriations from year to year there remains that difficulty.

Mr. NORTH. Of course, this bill is drawn on the theory that this census will be taken as all others have been, namely, by a lump sum. That is the only way you can take a census.

Mr. LIVINGSTON. Mr. North, if your system is adopted, we lose all control and all knowledge of what is going on unless we call for special reports from you.

Mr. NORTH. They are made every year.

Mr. LIVINGSTON. According to our plan we will not only keep in touch with, but in control of, the permanent Census Bureau. We lose it all under your plan.

Mr. NORTH. How do you lose it?

Mr. LIVINGSTON. We lose your salary, for example. We do not know what you would pay yourself or what you would pay anybody. You can take out of that lump sum and make your own salary \$40,000, if you want to.

Mr. NORTH. The census bill fixes it.

Mr. LIVINGSTON. Which census bill?

Mr. NORTH. This census bill.

Mr. LIVINGSTON. What does it fix your salary at?

Mr. NORTH. Seven thousand five hundred dollars. All salaries are fixed.

Mr. TAWNEY. Is that true of all the new clerks?

Mr. NORTH. The new clerks shall come into the office at salaries of not less than \$600 and not more than \$1,200.

Mr. BINGHAM. Are the salaries as well defined under the new bill as under the existing law?

Mr. NORTH. It is exactly the same.

Mr. GILLET. There is no limit on the promotions. They can be promoted the next day after their appointment.

Mr. NORTH. There are only 100 new positions created.

Mr. TAWNEY. What do you estimate will be expended in the first year?

Mr. NORTH. Well, the first year the larger part of the expenditure of the total sum.

Mr. TAWNEY. You do not ask that the total appropriation for the three years be made now?

Mr. NORTH. Yes.

Mr. TAWNEY. You can not do it. It is against the law. You have got to make your appropriations annually.

Mr. NORTH. You never have done it with a census. It has always been taken on a continuous appropriation, a lump sum.

Mr. LIVINGSTON. We created a permanent census for one reason, to get rid of that.

Mr. NORTH. Oh, no, Colonel; not to get rid of that.

Mr. LIVINGSTON. Oh, yes. It was said then that we could save supervisors so much and chiefs so much. You are not doing it in

the other bill. You have admitted you have been fixing salaries in the other bill.

Mr. NORTH. You have spoken of supervisors—

• Mr. LIVINGSTON. And enumerators the same. We can take the salaries we have paid heretofore as the basis, and especially considering the short time that will elapse before the House adjourns, we can do it in the sundry civil bill.

Mr. NORTH. It will be impossible to tell how much the work of supervision will cost in advance. It all depends on the conditions that will develop during the census.

Mr. LIVINGSTON. We can limit salaries.

Mr. NORTH. They are all limited in this bill, Colonel. They are just as firmly and fixedly limited as they are in the existing law.

Mr. LIVINGSTON. Then, I do not see why you want to dismantle the permanent Census Bureau.

Mr. NORTH. I do not want to dismantle it.

Mr. GILLET. What do you mean by saying there are only 100 places?

Mr. NORTH. One hundred places above \$1,200. There shall not be more than 100 additional places above \$1,200.

Mr. BINGHAM. Mr. North, in all your estimates which you submit have you gone on the assumption that the present bill now before the House will be passed just as we read it, and just as it is printed in your estimates of figures?

Mr. NORTH. These estimates would be the same if the next census was to be taken under the Twelfth Census act. There is an act on the statute books now by which you can take the Thirteenth Census. The act authorizing the taking of the Twelfth Census is called "An act for taking the Twelfth and subsequent censuses." The only reason for passing a new act is to make certain changes and improvements in the law which will permit the saving of more than a million dollars in the cost.

Mr. GILLET. I do not see any objection to this except the one objection, that it takes out of our annual appropriation bill this one big lump sum of the Census Office, and in that way it makes a fictitious reduction in the annual legislative bill, which is not a real reduction, and so it prevents our annual comparison of bills. That is the only objection I see.

Mr. NORTH. You would have that anyway.

Mr. GILLET. We would have this.

Mr. NORTH. You have got to have your additional sum for the Thirteenth Census somewhere.

Mr. GILLET. That would not go into this bill anyway. Mr. Courts, would it?

Mr. COURTS. No.

Mr. NORTH. I do not know where you would put it.

Mr. GILLET. It would go into the sundry civil bill. Otherwise I do not see any objection.

Mr. TAWNEY. I do not quite understand why you can not estimate your expenses during the fiscal year 1910 and the fiscal year 1911 and the fiscal year 1912 separately.

Mr. NORTH. I have estimated them separately, Mr. Tawney. They have been estimated.

Mr. TAWNEY. You just answered me a little while ago and said you could not do it for each year separately. You must know now, you must certainly know, what your expenses are going to be approximately, what they are going to be in 1910.

Mr. NORTH. I do.

Mr. TAWNEY. Then, if we should appropriate by years, you would have to submit another estimate next year, and in that way Congress would be able to keep in closer touch with the actual expenditures, and also with the estimates year after year; whereas if the appropriation is made in one lump sum, covering the entire period, the expenditures, outside of the salaries that are fixed by the act—and a great deal of the expenditure is not fixed by the law at all—would be entirely discretionary in you and your subordinates, and we would have no control over it at all. After the money is appropriated once, it could be expended by the department or by the bureau as you see fit, except for the limitation as to compensation of clerks.

Mr. NORTH. The understanding would be, of course, if you appropriate \$14,000,000 in a lump sum that you did it with the understanding that the census must be taken for that sum of money.

Mr. TAWNEY. That may be the understanding, but of course the department would know very well that if it could not be taken for that they would come back and get some more.

Mr. NORTH. That is true, but the responsibility, however, would be with the department.

Mr. TAWNEY. If they had an estimate from year to year now of what it would cost for the fiscal year 1910, and we made that appropriation, and then you would come before Congress for the appropriation for the fiscal year 1911, Congress would have an opportunity to inquire into the expenditure of the money in the previous year, and also inquire into the necessity of the amount you subsequently need; and that, it seems to me, is the way it ought to be done if we are going to adopt your plan of placing the permanent Census Bureau into your temporary census bureau.

Mr. NORTH. Will you allow me to explain the difficulties in the very first year?

Mr. TAWNEY. Certainly; go ahead.

Mr. NORTH. In the first year would occur the bulk of these expenditures. The bill provides that the enumeration shall take place as of the 15th day of April, 1910. That is for the fiscal year we are now appropriating. In that year, therefore, there must be paid the supervisors, the cost of which is estimated here on the basis of the last census at \$210,000. That has got to come in the next fiscal year. Also the cost of paying the enumerators has got to come in that year, and that is estimated here at \$4,500,000, as against \$3,540,000 at the last census. All that has got to come into the coming year.

Mr. TAWNEY. Yes.

Mr. NORTH. Now, the compensation of the special agents who take the manufacturing census has got to come in the coming fiscal year. That is estimated at \$700,000. The cost of printing, the printing of all the schedules for all this work—agriculture, manufactures, and population—has all got to come at the beginning. You can see that clearly. We estimate the cost of printing at \$800,000, of which the larger part must be met in the first year in order to get all the blanks ready.

Mr. TAWNEY. How much do you estimate of the \$800,000 would be spent in the first year?

Mr. NORTH. Well, certainly half; about half. It is very difficult, as you can readily see, to make a hard and fast estimate on an item of that kind, because of the situation which now exists in the Government Printing Office. That estimate was made before we realized what was liable to happen to us in the Government Printing Office; but it has happened that the cost of our printing, on account of all these changes that have gone on in that office, has increased about 20 per cent since that estimate was made.

Mr. BINGHAM. Why?

Mr. NORTH. I do not know; but I know the facts.

Mr. GILLET. Probably it would be cheaper to let you do it by contract.

Mr. NORTH. Undoubtedly it would be cheaper.

Mr. GILLET. I should favor it.

Mr. NORTH. We are doing now the printing for the Cuban Census, which we tabulated in our office, at a private printing establishment, outside the Government Printing Office, up in Vermont, on competitive bids, at a saving of about 35 per cent on what the Government Printing Office would charge for that work.

Mr. BINGHAM. How does that come? They have got their property, building, and no interest account running against investment, and no taxes.

Mr. NORTH. It so happened, gentlemen, that here was a printing job, the only one we ever handled that the Government Printing Office could not handle, because it was done for the Cuban Census and paid for by the Cuban Government.

Mr. BINGHAM. Where was it done?

Mr. NORTH. It was done in Burlington, Vt., and we improved the opportunity to find out the difference in the cost of doing this work in the Government Printing Office and in a private plant.

Mr. GILLET. Did you get estimates from the Government Printing Office?

Mr. NORTH. No; but we measured it up by their charges to us.

Mr. TAWNEY. Does that work measure up in quality with the work of the Government Printing Office?

Mr. NORTH. It is the most beautiful piece of printing that I have ever seen, so far as it has appeared.

Mr. TAWNEY. Go on with your statement.

Mr. NORTH. Now, there is another item, tabulating machinery, \$250,000. That tabulating machinery has got to be manufactured during the first year.

Mr. TAWNEY. That is also an expense that comes out of the first year?

Mr. NORTH. Yes. I have been through this thing. For the office force the estimated cost here is \$4,800,000.

Mr. TAWNEY. For the first year?

Mr. NORTH. For the first three years; for the three-year period, as against \$5,655,000 for the last census.

Mr. TAWNEY. What proportion of that \$4,800,000 would you need in the first year?

Mr. NORTH. A considerably larger proportion than one-third, because that first year is the year in which the congestion, the crux, of the work occurs, when all this field work is done and all these schedules come in and are being gotten ready to handle. I have been over this, Mr. Tawney, with some care, and I have come to the conclusion that——

Mr. TAWNEY. It seems to me you have estimated for nearly everything you need for the first year in your statement.

Mr. NORTH. It is all here. I believe we will expend in the neighborhood of \$9,000,000, and will have to spend in that neighborhood during the first year.

Mr. GILLET. That does not come before this committee. I do not see why you could not do it by annual appropriations.

Mr. NORTH. You have got to give us money enough.

Mr. TAWNEY. It is not with any intention of cutting the bureau off from having enough money, but it was with the idea of Congress keeping a closer supervision over the expenditures. It is not good policy, I think, to make a lump-sum appropriation covering the period of three or four years and giving the discretion that any man who was at the head of this bureau would have as to the expenditure of that money.

Mr. LIVINGSTON. You can not form any idea, nor can anyone, what would transpire in three years on this work, and if we should sit down here and give you a lump-sum appropriation covering everything business men in the outside world would laugh at us.

Mr. NORTH. That is what you have always done, sir. It has always been done.

Mr. LIVINGSTON. They would say, "What have you done? There is no control."

Mr. BINGHAM. Does the new act direct the Public Printer to do your printing, or is it open to competition?

Mr. NORTH. There is an old law, General, which provides that all government printing must be done at the Government Printing Office.

Mr. BINGHAM. That you repeal, however?

Mr. NORTH. Oh, no. It is permanent legislation.

Mr. BINGHAM. Let me ask you another question. Is the new act largely in conformity with the act of 1899, by which the last census was taken?

Mr. NORTH. It is almost a paraphrase of it, except that in certain points it improves on it.

Mr. TAWNEY. The new act is based on the permanent-census act, is it not?

Mr. NORTH. No, sir. The permanent-census act has nothing whatever to do with the decennial census. It does not relate to it at all.

Mr. TAWNEY. Section 3 of the permanent census act is omitted entirely:

That the permanent Census Office shall be in charge of a Director of the Census, appointed by the President, by and with the advice and consent of the Senate, who shall receive an annual salary of six thousand dollars. It shall be his duty to superintend and direct the taking of the thirteenth and subsequent censuses of the United States and to perform such other duties as may be imposed upon him by law.

Mr. NORTH. That section is repealed.

Mr. TAWNEY. That is the permanent census act.

Mr. NORTH. No; that is not repealed.

Mr. TAWNEY. I was reading from section 3 of the permanent census act.

Mr. BINGHAM. You do not repeal that, or any law amendatory thereof subsequently enacted?

Mr. NORTH. No, sir.

I hope you gentlemen will understand that I have not anything in mind in this whole matter except to make the best census that has ever been taken.

Mr. BURLISON. And the most economical?

Mr. NORTH. Yes; and the most economical. I believe under this bill, as it now stands, that that can be done. I do not think your plan of dividing up the appropriations will materially decrease the cost. On the other hand, I do think it will embarrass and impede it in unexpected ways as the work goes on.

Mr. TAWNEY. You made a statement here, Mr. North, as to the increased cost of taking subsequent censuses. What per cent did you say the taking of the last census exceeded the cost of the preceding census?

Mr. NORTH. The last one exceeded the cost of the prior one by 33 per cent, and it is the only case in which the cost has not exceeded that of the prior census by at least 50 per cent.

Mr. TAWNEY. Have you investigated and analyzed the matter sufficiently to be able to determine why there was that increased cost?

Mr. NORTH. I have, Mr. Tawney. There is in the annual report of the Director of the Census this year a complete statement regarding the cost of the last and prior censuses. I went into it with great care.

Mr. TAWNEY. What does your report show, in a word, as to the cause of the very large increase in the cost of taking subsequent censuses?

Mr. NORTH. Well, the increase in population, for instance, from census to census.

Mr. TAWNEY. Is it increase in work, or lax methods of administration?

Mr. NORTH. It is increased work, and in some respects greater detail of presentation. Those are two of the causes, and there are a number of causes. The difficulty of taking the census in this country increases enormously by reason of the very great increase in our foreign population, which causes difficulties of enumerating which you can readily understand. I am aware of one single ward in the city of Boston where it was necessary at the last census to have nine different interpreters follow the enumerator in order to take the census of that ward.

Mr. GILLET. A body of ten to go around?

Mr. NORTH. Yes; nine different interpreters. Can you not see, Mr. Tawney, how that increases the expense?

Mr. TAWNEY. Yes; I understand. I was wondering whether this increased cost was due in part or at all to lax methods of administration.

Mr. NORTH. I do not think so. I think that Governor Merriam kept as close a watch over expenditures in the Twelfth Census as ever was done by any Director of the Census.

Mr. TAWNEY. And his expense was 33 per cent more than that of his predecessor, while all other censuses have shown an increase of 50 per cent over the prior ones?

Mr. NORTH. Yes.

Mr. GILLET. Did they not go into more detail than had been undertaken by their predecessors?

Mr. BURLISON. More questions were asked and more schedules were prepared.

Mr. NORTH. The census in 1880 cost 69 per cent more than the census of 1870, and the census of 1870 cost 63 per cent more than the census of 1860. That was the result largely of increased inquiries.

Mr. BINGHAM. Will there be any duplication in the next census of the matters covered by legislation that has intervened between 1900 and 1910?

Mr. NORTH. None whatever.

Mr. BINGHAM. All that legislation is considered completed?

Mr. NORTH. Yes, sir.

Mr. LIVINGSTON. You have not accounted for that increase satisfactorily to me, because the more work you have to do in proportion the less the cost, if the administration is good. Combination on large work is always cheaper than on small work, and consequently all the great enterprises of the country ask for the privilege of combination and concentration, and combination means concentration.

Mr. NORTH. You must remember that this 20 per cent increase of population is not the only increase. There has been an increase of over 50 per cent in the amount of manufacturing.

Mr. LIVINGSTON. If you go to manufacturing establishments—if one plant was worth \$100,000 and another one worth \$500,000, it would not cost any more, would it, to take the first one than the other?

Mr. NORTH. That is true; but it costs more to take the census of two manufacturing plants than of one. That is where some of the increase comes. Now, Hawaii was added at the last census, and that makes a considerable increase in the cost, as you will see. Porto Rico will be taken this time. The difficulties of taking the census of Alaska, as you will understand, make it expensive.

Mr. LIVINGSTON. The Philippines take their own census?

Mr. NORTH. Yes. They are not included in this.

Now, I want to say one other thing, gentlemen, and then I will be done. This is the first time that an estimate of the detailed cost of a decennial census has ever been submitted. There never had been a permanent office before, and there never has been an estimate before of a decennial census to be appropriated for. The estimate of the cost of this census is only a few hundred thousand dollars more than the actual cost of the last census, and if we can do it for that comparatively small sum it will have been because there has been a permanent Census Office in the meantime.

I am very much obliged to you, gentlemen.

Estimated cost of the Thirteenth Census as compared with the approximate cost of the Twelfth Census.

	Estimated cost of the Thirteenth Census.	Approximate cost of the Twelfth Census.
<i>Decennial census.</i>		
Office force (compensation)	\$4,800,000	\$5,655,000
Enumerators (compensation)	4,500,000	3,540,000
Supervisors (compensation, clerk hire, travel, and other expenses)	910,000	670,000
Special agents (compensation, travel, and other expenses)	700,000	615,000
Administrative (travel, telegraph, furniture, machines, etc.)	300,000	250,000
Stationery	200,000	150,000
Rent	125,000	100,000
Tabulating machinery	250,000	395,000
Cards for tabulating machines	100,000	95,000
Alaska	85,000	70,000
Porto Rico	160,000	^a 180,000
Printing	800,000	820,000
Total	12,930,000	12,520,000
<i>Annual reports for three years, 1909-1912.</i>		
Cotton production and consumption, costing \$227,000 a year.... \$681,000		
Financial statistics of cities, costing \$70,000 a year..... 210,000		
Mortality statistics, costing \$70,000 a year..... 210,000		
Forest statistics, costing \$12,000 a year..... 36,000		
Official Register, 2 issues, costing \$25,000 each..... 50,000		
	1,187,000
Total	14,117,000	12,520,000

^a Cost of census taken by War Department in 1899.

NOTE.—On the basis of an increase in cost proportionate to the estimated increase in population, i. e., 20 per cent, the Thirteenth Census proper will cost approximately \$15,000,000, to which amount should be added the cost of the three annual reports for the decennial census period, \$1,187,000, making a total of \$16,187,000.

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